

Sketch

Flight of fancy with William and Violet Elizabeth



Simon Hoggart

YESTERDAY the Commons debated an issue of vital importance for the future of democracy in Britain. So we talked about the royal crest first.

Howard Flight introduced his United Kingdom Passports Bill. Mr Flight, who sits in the Conservative interest for Arundel, is worried that our passports are soon going to look like every other EU travel document. To emphasise the main points of his speech he had, sitting next to him, under the same microphone, Teresa Gorman.

The effect was oddly disconcerting, like seeing William Brown being cheered by Violet Elizabeth Bott. "An' another thing," said William. "We could all wake up in 2003 and find we are issued with passports with that circle of stars on them instead of the royal crest."

"Shame!" shouted Violet Elizabeth.

"An' that EMU, it's not a country, it's not a state!" said William.

"Hyah, hyah!" said Violet Elizabeth.

"Are we citizens of..." — here William drew a deep breath — "of Her Majesty the Queen? Or are we EU citizens?"

"Never!" shrieked Violet Elizabeth, so loud that Douglas almost swallowed his Curiously Strong Mint and Jumble began running round in circles, barking. (But not as barking as Mrs Gorman.)

Any moment Mr Flight was going to demand a document that played Colonel Bagge whenever some slimy wop or dago immigration officer opened it. But it turned out that his main concern was for that scrolly writing at the start of the traditional passport: "Her Britannic Majesty's Secretary of State requests and requires in the name of Her Majesty..." This, he told us, has always been known by its

technical title, The Royal Exhortation. Not any more. As we learned from the weekend papers, the new Royal Exhortation is "Get yer eyes tested, ref!"

In the Lords, the peers were so troubled by questions of royalty in particular the proposed memorial to Princess Diana in Kensington Gardens. Their lordships are not very touchy-feely, except in their private lives. Nor do they reach out to their own emotions. Sometimes they have trouble reaching out to their own ear trumpets.

But several of them do live in Kensington. Or have friends who do. And they are terrified of being overwhelmed by the kind of folk who would turn up at a Diana memorial garden. They made it sound like the famous anonymous description of Dunderbitch: "The noise, my dear. And the people!"

Lord Blake inquired whether "the affection in which she was held would be enhanced by the creation of a permanent traffic jam in Kensington" as if there weren't one there already. Lord Ewing asked for the princess to be allowed to rest in peace and for the debate to end.

Am I being cynical, but if she is in a position to follow events down here, might she not be loving every minute of our continued obsession? Back in the Commons, they were debating a serious Tory motion about the release of information to select committees. (The Government is refusing to release papers about Sierra Leone to the foreign affairs committee, as the Legg Inquiry has yet to finish. This enables it to screw the Commons again while getting its Legg over.)

So vital was this topic, so crucial to the functioning of our democratic organs, so central to the vital issue of the executive's accountability to the legislature, that fully 46 backbenchers were listening.

But that's the point. Since few people come to debates these days, the arena has switched to select committees. Keeping them in the dark as well as the House itself has become an important part of the Government's mission. Expect another official inquiry into influence peddling in Downing Street, just to shut everyone up.

Review

Passion play just a flash in the pan

Mic Moroney

Fully Recovered
The Mint, Dublin

THE Dublin-based company Passion Machine has mounted some great new working-class stage comedies over the past 15 years.

It was behind Roddy Doyle's first outings and a steady stream of plays by company director Paul Mercier, from his hugely successful *Studs* to more soul-searching pieces.

Other core members of old have also taken to the pen, such as actor Brendan Gleeson or, more recently, Anto Nolan, who is one of the company's quintessential, often comic, hardhats.

This slightly disturbed machismo force is Nolan's second play. Very much a reminder of early Fasson Machine, it has the same ensemble style, the volleyball one-liners, the lads-only ethos.

The setting is a rundown armchair factory, where a bunch of hard-bitten, unconstructed upholsterers labour desolately, their expectations low in life, love and lunchbox.

A savage pecking order runs downward from the morose, maritally estranged boss, through seething tradesmen and apprentices to the compulsory fool-boy they all call "Flash".

Candidates for this dubious honour are subjected to a queasy initiation ritual, whereby the older lads strap him across a workbench and indecately glue his balls to his arse. "Flash" exacts immediate revenge, by sliding

home the outside bolts on the metal door of the workshop. His persecutors are now locked in, neatly shattering a stage night, but what follows is long and paradoxical.

The traumatised boy, wavering psychically, feeds in a large quantity of lager and Jack Daniel's through a hole in the toilet wall. Then he admits a hysterical, pistol-wielding relative (a former "Flash" himself) whom he also locks in, just to add to the stridency and mayhem.

Refreshingly foul-mouthed as it is, this is not Tarantino. There is no controlled explosion of energy in the bunker, and the loutish humour scarcely escalates beyond the prop of the blow-up doll.

There is real commitment to some of the performances. Nolan's brother Mick as the melancholy boss, or Les Martin's vicious bone-headed apprentice — but the characters are little more than ciphers, valiantly kicking the plot along like a football.

Maybe Nolan is scratching at a raw patch of interrupted memory; maybe it's all a true story that doesn't quite make it on to the stage.

From the evidence of his last play, which he directed himself — another knockabout of star-obsessed lads in late 1970s Dublin suburbia — he might have better paced his own highlight of one-liners had he himself been calling the shots, down in the field of factory action.

But that is very unfair to director Alan Archibald. Better to wonder: if this play lost its way, where exactly was it going in the first place?

Health service could pay high price for pleasure with impotence pill swallowing 25pc of drugs budget

Viagra may cost NHS £1bn

Sarah Boseley
Health correspondent

VIAGRA, the impotence pill, could swallow a quarter of the entire NHS drugs budget once it is licensed for use in Britain, and the bill will be far higher if it is abused by couples seeking sexual pleasure, doctors warned yesterday.

A Viagra prescription for each of the one in 10 men who is impotent would cost £1 billion a year, the British Medical Association annual meeting in Cardiff was told.

Peter Holden, a GP in Matlock, Derbyshire, introduced a motion calling for an urgent

government review of the way all expensive new drugs are introduced.

The Department of Health has commissioned further guidance on the use of new expensive drugs, and the BMA voted unanimously to demand that the government reviews the entire mechanism for their introduction.

Dr Holden said: "Tessa Jowell [minister for public health] has said Viagra will be available on the NHS for those who clinically need it. But how do we diagnose impotence? Is it actual impotence or is it relative?"

Viagra costs 26 a tablet, he said. If 10 per cent of the men in his practice were to be given two tablets a week, it

would cost £125,000 a year. Three tablets a week for all of them would amount to 25 per cent of his drugs budget.

Jan Banks, the BMA men's health spokesman, warned: "For every man affected with erectile dysfunction, there will be another person, even a family, involved."

"There may be depression, a spiral into alcoholism and even suicide."

"To simply say these are expensive drugs and therefore we should curtail their use is flying in the face of what we as medical practitioners have been trained to do all our lives. Here we have a serious medical condition which affects a large number of people."

Derek Machin, a urologist in Liverpool, said after the debate that there was major scope for abuse. "The question is how impotent you have to be or whether you are."

"There will be an awful lot of people who really don't have a problem, but feel that their sexual function will be enhanced by this drug. As there is no way of knowing which people are impotent and which are not, there will be abuse in both obtaining the drug and using the drug."

"What we have to realise is that not all impotent men are elderly. I quite regularly see teenagers and men in their 20s who are having sexual problems."

Women too may demand Viagra. He thought the demand "will not be insubstantial."

Pfizer, the manufacturers, are researching the use of Viagra in women. "It has been used by women in the United States with some success."

"I'm quite sure that demand will be irresistible for the treatment of women who have a problem with orgasm."

Dr John Chisholm, chairman of the GP's committee of the BMA, was firmly opposed to health authorities handing out Viagra as and when they could afford it.

"Sex by postcode is just as bad as any other treatment by

postcode." He did not want to see Viagra prescribed in the same way as Taxol, the drug for ovarian cancer, the unavailability of which in some areas because of its cost led to "great tragedies".

Nancy Dickey, president of the American Medical Association, said there had been 10 to 12 deaths among Viagra users in the US in the four months since it became available, nearly all of them due to heart failure.

There is "extraordinary demand for the drug", she said, but few safeguards.

Some doctors had been dispensing it from websites on the Internet without proper checks on the health of the patient.

Ulster crisis: more troops sent in

John Mullin
Ireland Correspondent

THE Army said yesterday that it was sending another 800 troops to Northern Ireland to combat the rising tide of loyalist violence as the Drumcree crisis deepened. The drum-off is in its fourth day.

Tony Blair will meet the leaders of the Orange Order tomorrow in an effort to defuse the growing backlash against the Farquhar Commission's decision to ban the order's Portadown district from its traditional route along the predominantly nationalist Garvaghy Road. The critical point will come at the weekend, when thousands are expected to flock to Drumcree for the July 12 celebrations.

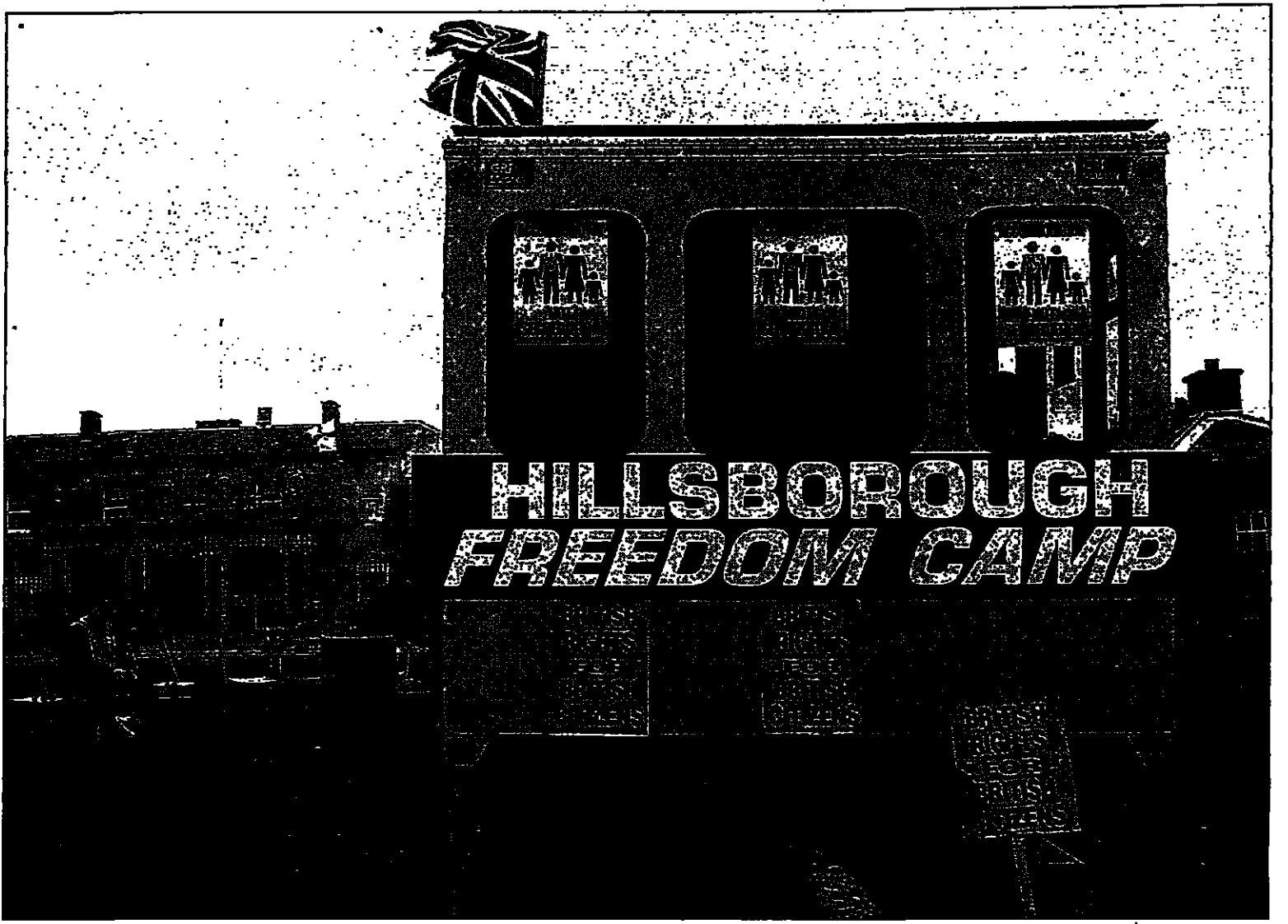
Mr Blair will refuse to overturn the ruling which routed the Orangemen. Some hardliners wanted the talks boycotted. The summit may take place in Belfast.

Mr Blair said: "We have come so far in Northern Ireland. We have come over the hurdle of the agreement, over the hurdle of the referendum and over the hurdle of the assembly elections. We have the possibility of a tremendous future in Northern Ireland, but we have to get over this hurdle as well."

The extra 800 soldiers from the 1st Battalion the Parachute Regiment and the 1st Battalion the King's Regiment will begin arriving today, bringing the Army's strength in Northern Ireland to 18,000. That includes 1,000 troops sent last weekend.

The Army and police are being stretched as the mood in Northern Ireland turns increasingly ugly. The Orange Order, which is organising protests, says it wants them to be peaceful, but loyalist paramilitaries are now involved in the worst disorder.

Buses and cars were again seized and set on fire. The Companies of the Ulster Defence Association were behind the violence in three districts of Belfast on Monday. The UDA is on ceasefire but its disenchanted but its political ally, the Ulster Defence Association, failed to win a seat in the new assembly. The



An Orangeman's lone vigil yesterday outside Hillsborough Castle, official residence of Mo Mowlam, Northern Ireland Secretary. PHOTOGRAPH: MAX NASH

Loyalist Volunteer Force, on ceasefire for two months, is also implicated.

Loyalist snipers shot at police on Monday. The RUC came under a hail of petrol bombs and were targeted in blast bomb attacks. Before last night, almost 50 RUC officers had been injured. One policeman was suffering from a broken skull. Two more had their homes attacked while their families were inside.

Violence was particularly bad in Carrickfergus, on the northern outskirts of Belfast. Several Catholic families were burned out of their homes. A bed-and-breakfast business in the town came under petrol bomb attack, and 14 guests were forced to flee. Arsonists also targeted a Catholic primary school.

David Trimble, First Minister, said yesterday: "We cannot allow this to continue any longer. There are some elements there who want to exploit the situation for their own ends."

John Taylor, deputy leader of the Ulster Unionists, appeared on collision course with Mr Trimble. As his

leader urged accommodation, Mr Taylor demanded that the march be pushed through.

Negotiations were continuing behind the scenes. But there was no sign of the crucial breakthrough, an agreement by the Orangemen to talk to Brendan MacDonagh, leader of the residents. They refuse to speak to him because he was jailed for six years in 1982 for offences leading to the bombing of the British Legion in Portadown.

The atmosphere at Drumcree, peaceful until now, was deteriorating. Loyalists blocked both ends of the Garvaghy Road on several occasions before police in riot gear forced them back. The protesters in the fields at Drumcree began playing Lambie drums in rotation in an attempt to aggravate residents.

This weekend will be make or break. July 12, when Orangemen celebrate William III's victory over James II at the Battle of the Boyne in 1690, is the main marching day in Northern Ireland. There will be a massive influx to Drumcree.

Abiola's sudden death shocks Nigerian public

continued from page 1

in Nigeria. It is therefore particularly tragic that he should die now at a time of change and hope."

The visit by Mr Pickering was the latest in a stream of high-level delegations to meet Abiola in the past fortnight as part of a growing international effort to press the country's latest military regime to restore civilian government.

The United Nations secretary-general, Kofi Annan, emerged from meetings with both Abiola and the government confident that the winner of the country's 1993 election would soon be freed. But he also said Abiola was realistic enough to realise he could not continue to claim the presidency.

It was his decision to Jay

claim to the presidency in 1994 that caused Abacha to jail him. But a Commonwealth delegation that also met Abiola said he was refusing to sign a declaration renouncing his election victory.

Although still widely supported in his Yoruba homeland in south-eastern Nigeria, Abiola had long lost support in much of the rest of the country and was a deeply divisive figure.

He was also reported to have become increasingly disorientated and out of touch with reality.

He had further divided opponents of the military, and his own family, by apparently — and in contrast to the Commonwealth group's impression — renouncing his claim

to the presidency. It was an open secret in Nigeria that he was prepared to go to almost any lengths to win his release.

But Abiola's decision to walk away from the 1993 election was widely viewed as a betrayal of an important point of a principle which could have been used to force concessions from the military.

But however controversial Abiola was, he represented the primary symbol of democracy for many Nigerians and opposition groups. Many will be shocked by the timing of his death, coming as freedom looked imminent. It is also likely to elevate Abiola to a martyrdom among some Nigerians that he could not have hoped for had he lived.

'Streets tsar' to have big budget

Sarah Hall

A "STREETS tsar" with a £145 million budget and a brief to cut homelessness in London by two thirds by 2002 was announced by the Government yesterday.

The "powerful individual" will head a body aiming to get the 400-odd homeless on any one night off London streets. Likened to the "drugs tsar" — the anti-drug co-ordinator, Keith Hellawell — the new co-ordinator will develop strategies to cut homelessness, generate funding, assess accommodation needs and keep track of the flow of rough sleepers.

The streets tsar will be appointed by March. His £145 million budget will be for the initial three years.

It was one of a raft of measures announced yesterday as the Government confirmed its determination to reduce



A rough sleeper in a London subway. If "tough targets" are not reached by 2002, the homeless could find themselves criminals. PHOTOGRAPH: GRAHAM TURNER

the 2,000 rough sleepers in England by two thirds in the next four years. Similar specialists, appointed by local authorities, will spearhead campaigns in cities including Birmingham, Oxford, Manchester, Cam-

bridge, Brighton and Bristol. The Government said coercive measures, criminalising rough sleeping, could be introduced if the "tough targets" were not reached by 2002 — a suggestion that homelessness charities said

would not work. Tony Blair launched the first integrated strategy to tackle homelessness as he visited a shelter in London and released Rough Sleeping, the report by the Social Exclusion Unit, that produced the figures on street

sleepers. Describing the homeless as the most "visible symbol of division in our society", he also promised a major programme to prevent those leaving care, prisons and the armed forces from living on the streets; rule

changes to enable rough sleepers to gain instant help with finding work; and an inter-departmental group of ministers to work on the problem.

Leader comment, page 11

Corrosion in piping at the insurance market's City headquarters is one of many cases of structural degradation in landmark New Age buildings

Made of concrete, glass and stainless steel, the Lloyd's building (right) was started in 1979 and completed in 1986. It cost £187 million. Floodlit blue at night, it has become a City landmark. With permanent "service" cranes erected on the roof, the building has heart-stopping external lifts and all its service pipes — such as those for central heating and air conditioning — are on the outside. Few traditional Lloyd's underwriters and brokers like the building. Many say it gives them the feeling of working in a multi-storey car park.



Lloyd's rust costs Rogers £12m

Pauline Springett and Julia Finch

A SEVERE case of rusting pipes at the futuristic Lloyd's of London insurance building in central London has left the design team that created the towering glass and steel landmark with a £12 million repair bill.

The building's controversial architect, Richard Rogers — together with the engineers and builders who constructed the much criticised Lloyd's headquarters in 1986 — has agreed to pay compensation to the insurance market after two years of wrangling.

But the rusty Lloyd's pipes are just the latest of a series of serious structural problems to afflict some of the best known examples of modern architecture.

Cracks, leaks, discolouring, sinking foundations and disintegrating cladding are now emerging as almost a feature of modern building design.

At Eland House, the new home for the Department of the Environment near Westminster, protective glass louvers — meant to cut out the glare of the sun — have proved to be a nuisance.

Heating and cooling were supposed to be regulated automatically, but workers say it is either boiling or freezing and a remote-control system that keeps the lights on for night workers also turns them off if people sit quietly at their desks and do not move around.

The Lloyd's building in

Lime Street at the heart of the City of London is instantly recognisable for its "inside-out" structure, with service pipes normally enclosed within the fabric of a building clamped to the exterior as an unusual architectural feature.

But during a routine inspection in 1995, surveyors discovered corrosion. Rust was found inside the cladding protecting miles of the vertical water and waste pipes. The repair work has taken 18 months to complete.

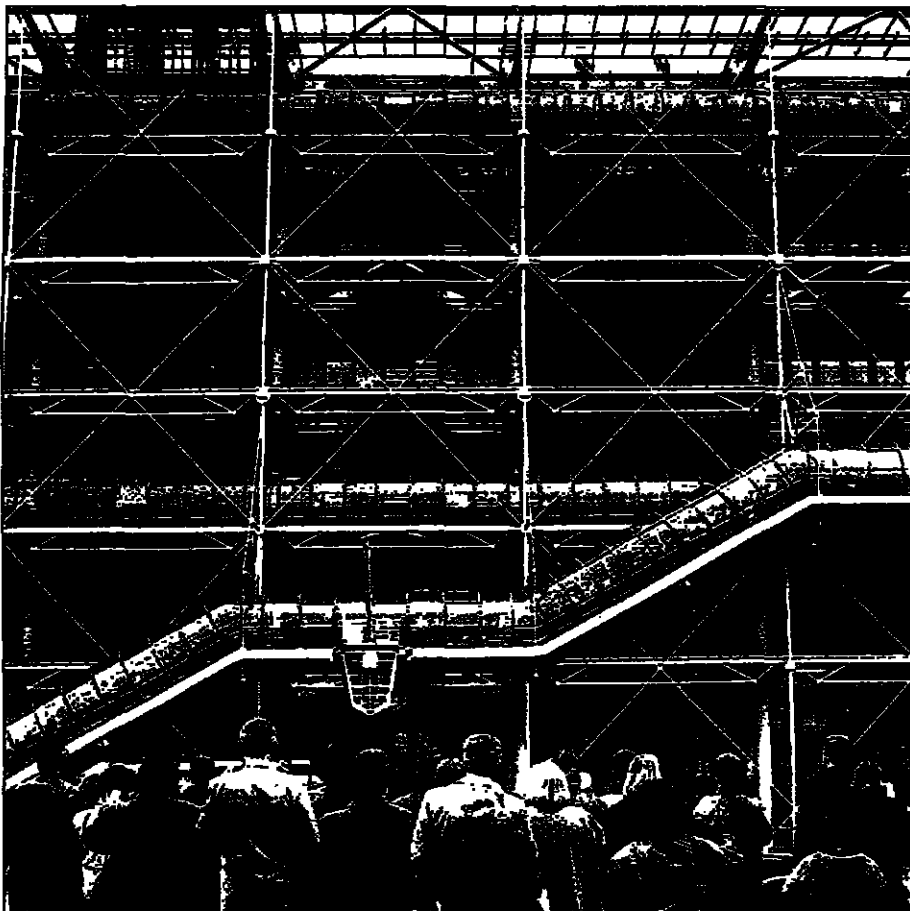
The £12 million payout to Lloyd's is being shared by the Richard Rogers Partnership, Bovis Construction and engineers Ove Arup, Haden Young and Senior Construction Services.

The Rogers firm, which yesterday refused to comment, has run into problems on several occasions with its New Age designs.

Only last month the facade of its £27 million new law courts in Bordeaux shifted, resulting in the revolutionary glass supports shattering. The Rogers partnership also designed Paris's landmark Pompidou Centre, which has now been closed for a year while intensive refurbishment is carried out.

Rogers' latest project is the £800 million Millennium Dome in Greenwich. The project, controversial in itself, has attracted criticism from many quarters including predictions that the structure, which is big enough to house Wembley Stadium twice over, will leak.

A spokesman at the Royal Institute of British Architects said that architects working at the leading edge of technical design were bound to face teething trouble but believed the real cause of many defects was the pressure design



The Pompidou Centre (left), built in the mid-1970s, is constructed of steel, concrete and glass and painted in primary colours — and is now closed for refurbishment. It attracted four times the number of visitors originally anticipated and has been described as a "maintenance nightmare".

Built in a spacious square it was, like the Lloyd's Building, the brainchild of Richard Rogers.

The interior of the Paris building has now been redesigned and it is due to reopen shortly.

The previous Environment Secretary, John Gummer, moved ministers and 2,000 civil servants into Eland House (not pictured) heralded as the latest in environmentally friendly design, complete with thermal buffers, double atria and ozone-friendly refrigerators. The cost of the move was £49 million in 1996-97.

Despite problems with rattling windows and uncontrollable heating and lighting systems, budget controls rule out any major changes to the building for the next few years.

teams found themselves working under.

"Cash is king and time is the god," he said. "Buildings have to be designed and built as quickly as possible. If architects and engineers were given more time on the drawing board then problems at the leading edge of technical design would be rectified before building is complete, instead of on site after opening."

He added that lawyers were also partly to blame. He said

property developers often had whole departments of legal advisers ready to pounce on any defect and demand compensation. "There is a real blame society these days. People in the construction industry live in fear of litigation."

Elsewhere around London, the Royal National Theatre complex on the South Bank, singled out by the Prince of Wales as one of the capital's

biggest development disasters, has suffered from discolouration and leaks. And the new British Library alongside Euston Station — which the prince described as looking like an academy suitable for training secret police — was delayed while designers attempted to sort out problems with cabling and an automatic bookshelf system that hurled books from the shelves.

High pound could drive Rover out of Britain

David Gow
Industrial Editor

THE West Midlands, Britain's manufacturing heartland, suffered a potentially grievous blow yesterday when the car maker Rover warned that the continued strength of the pound could eventually force it to shift production abroad.

Admitting that its plans to be profitable by 2000 are being seriously jeopardised by an overvalued pound, Rover said it was actively considering taking more components from abroad in a drive to slash costs.

This new threat to Midlands component suppliers comes just days after consultants KPMG forecast that high costs and poor quality could drive a third of the region's 2,100 parts makers out of business over the next three years, with the loss of up to 75,000 jobs.

Senior executives at Rover's German owners, BMW, have been in the forefront of British industry's campaign for concerted action to bring sterling down to a rate of around DM2.60, compared with the current DM3, to avoid a further squeeze on exports and profits.

But yesterday's warnings are among the most dramatic evidence of the strong pound's impact on manufacturing and come on the eve of today's meeting of the Bank of England's monetary policy committee (MPC), which could nudge interest rates — and the pound with them — even higher. UK rates are more than double those of France and Germany.

Ken Jackson, leader of the ABEU engineering union, said: "Rover's threat proves that the soaring pound has brought British manufacturing to its knees."

Having forced Rover to buy components overseas, the strength of sterling could export British jobs as well. The MPC must take notice of this and not raise rates this week.

Rover officials, responding to comments made by unnamed senior executives in a trade paper that the firm had a crisis on its hands, insisted that the company had no immediate plans to shift production abroad. "We are not in a crisis," they said.

The problems at Rover have worsened since the end of last month when derivatives contracts that protected it against sterling's rise expired. Plans to boost exports beyond last year's 280,000 cars and raise sales and margins were therefore hit by full exposure to sterling's strength.

Rover has less than 10 per cent of the domestic market and last year made a net loss

of £91 million. If sterling remains high during the next two or three years, Rover will have lost hundreds of millions of pounds despite investment of £2 billion by BMW in the four years since it took it over in 1994, and would move output abroad. So far it has only a South African plant assembling Land-Rovers from kit, with a similar factory due to open in Brazil soon.

Company officials made plain that investment, now running at £800 million a year, and jobs, now 40,000 at group level, were sacrosanct. The only option in cutting costs was to buy more components abroad for new models.

Rover's current range takes 85 per cent of its components — worth £3.5 billion a year — from UK suppliers but new models such as the planned R40 executive car, replacing the 400 and 600 series and to be built at Cowley, Oxford, will use nearer 75 per cent British content.

Land-Rover's new model, the Freelander, relies on 146 main suppliers when a few years ago it would have been nearer 500.

According to James Bentley, chairman of KPMG's European automotive prac-

'Rover's threat proves that the pound has brought UK manufacturing to its knees'

tice, based in Birmingham, component suppliers are already being forced to cut costs by up to 10 per cent a year but a host of smaller suppliers in the West Midlands are falling down on the price, quality and delivery times demanded by firms such as Rover.

His study sees the region's share of the UK market cut from 17 to 12 per cent by 2000, with 700 firms "de-selected" by customers and others forced to merge or be taken over.

This is part of a world-wide trend to cut huge overcapacity which has seen the number of components suppliers cut from 30,000 a decade ago to 8,000 now, with European unions warning that by 2010 only 20 mega-suppliers will exist globally. Similarly, auto industry executives expect global car manufacturers to dwindle to just five or six within the next 10-15 years.

Mr Bentley said West Midlands suppliers had the most to lose in the UK. "There are many, many small suppliers surviving and even prospering but the more you have the more you stand to lose."

City notebook, page 13

Ennobled Bragg to stop starting the week

Presenter quits after 10 years at the helm of Radio 4 flagship

Stuart Miller

MELVYN Bragg is to step down after a decade as the anchor of Start the Week, Radio 4's flagship cultural programme which has become a broadcasting institution.

The decision to leave the Monday morning show, revealed yesterday, was prompted by Mr Bragg's elevation to the House of Lords.

The announcement of his life peerage brought accusations from Conservatives last week that his objectivity and impartiality could no longer be relied on.

James Boyle, controller of Radio 4, said: "Since Melvyn was able to make public his future elevation to the House of Lords, we have been discussing with him the implications for his role on Start the Week."

"We recognised that although Start the Week isn't mainstream current affairs programme it does occasionally deal with matters of public policy."

"And together we have come to the conclusion that the best way forward is to move on."

Peter Ainsworth, the Conservatives' culture, media and sport spokesman, who

has also written to Channel 4 claiming a potential conflict of interest in Mr Bragg presenting its programme, The Sundays, welcomed the decision.

"The BBC has a responsibility to maintain the highest standards of political impartiality and for this reason it was right to ask Mr Bragg to stand down."

The presenter's departure comes a year after he publicly clashed with Mr Boyle over plans to revamp the programme by cutting it from 55 minutes to 30 minutes and reducing the number of guests to fit in with the new length.

The proposals sent a shock wave through the programme's loyal devotees, as Mr Bragg threatened to quit over what he saw as an at-

tempt to dilute its "challenging and intellectual" content. "If they want it to go down-market, then I am not their man," he said at the time.

In the end, Mr Bragg won the argument, and the programme was cut by just 10 minutes — although some observers suggested that the 45-minute length had been Mr Boyle's intention all along.

When the series first started in 1970 under Richard Baker, then Russell Harty, Start the Week included cooking tips and later featured musical slots from Victoria Wood.

But under Mr Bragg, who took over in September 1988, it was shaped into an arena for heavyweight debate among guests who included authors and academics.

Under his charge, the pro-

gramme has become a mainstay of the station's intellectual output.

Its ratings have risen from around 600,000 listeners to a peak of 1.5 million — one of the highest Radio 4 audiences after the Today programme.

"I shall be sad to leave Start the Week," Mr Bragg said yesterday.

"I have worked with some excellent people on the programme over the years. I'll miss it and wish it well."

He will present the programme for the last time on July 20, when the current series ends, before moving on to front a newly commissioned 9am interview series and a sequence of programmes on the English language.

A new Start the Week presenter has yet to be named.

Success is relative:
It is what we can make
of the mess
we have made of things

T.S. Eliot at 128 (1905) The Family Reunion (1933)



does this sound like your life?

THIS

series 2 now on video from all good retailers

series 2, programmes 1-9 available from 6 July, programmes 10-21 available 3 August 1998

the complete series 1 is also available on video

BBC

W

"If I am alone with myself, or something that inspires me, I feel I can go a long way — which isn't the case when I'm no longer completely on my own. So films enable me to do it with other people. They enable me not to be completely alone in that state."

Eric Cantona, the movie star, interviewed by Jean-Pierre Lavoignat

G2 page 2

BBC's £1bn to fight off rivals

Simon Beavis
Media Business Editor

THE BBC has drawn up controversial plans to amass a £1 billion war chest to spend on new programmes, technology and on-line services to protect its position as the dominant force in British broadcasting.

The scale of the spending plans underlines the BBC's determination to see off challenges from Rupert Murdoch's News Corporation and other powerful media groups as the country moves into a new era of digital television and radio.

The plans — which are bound to provoke an outcry from the BBC's commercial competitors — are set to be made public next week when the BBC publishes its annual accounts in a new and more transparent way.

They will also provoke tremors within the corporation as they imply a more stringent programme of cost savings to help fund the investment of £200 million a year over the next five years.

The accounts are also expected to reveal that the total remuneration of Sir John Birt, the BBC's director general, rose by nearly 9 per cent to just under £300,000 last year — a period when average pay among the BBC's 22,500 staff went up by just under 4 per cent.

The accounts — which cover a period when funding from the licence fee rose above the £2 billion mark for the first time — have been overhauled in the face of allegations that the BBC has used opaque accounting practices to hide the fact it is cross-subsidising its commercial ventures from the licence fee.

Executives have taken the allegations to heart but are

determined that, in being more open, they will also be more aggressive about their plans to keep the BBC in the vanguard of the digital age.

The accounts will reveal that the corporation is sitting on a £300 million digital war chest even though it has spent nearly £100 million in the last year alone on new digital services such as the rolling News 24 service and BBC On-line. Some £244 million has been set aside from the sale of the BBC's transmission system.

Executives will stress that although cash reserves will be boosted by another £180 million from an above inflation rise in the licence fee this year, after that the fee will begin to decline under an agreement with the Government.

They will stress that to raise the remaining £500 million to spend on digital TV and radio, the corporation will have to introduce a new efficiency drive. Simultaneously, it will launch an all-out campaign to exploit the BBC brand through programming joint ventures, publishing, and merchandising.

For the first time also the accounts will detail the earnings of the commercial arm, BBC Worldwide, and other revenue from commercial programming deals which together have generated nearly £90 million in the year to the end of March.

But Worldwide is understood to have been set a target of £220 million a year by 2006, when the current Royal Charter expires, and has been given the go-ahead to boost earnings further through commercial ventures.

The accounts are expected to show the BBC is already exceeding its target for efficiency savings running £14 million ahead of plan at £76 million in the year in March.

City notebook, page 13

Stand-off over student fees

Anne Perkins
Political Correspondent

THE Government was locked in a constitutional stand-off last night after its third defeat in the Lords on student fees in Scotland.

Peers voted by a majority of 211 against charging non-Scottish students fees for their fourth year at a Scottish university. Downing Street said there would be no climb-down. If the Lords reject the bill one more time, it will fall altogether.

Peers — including two Labour rebels, Lord Shrove and Lord Stoddart — voted by 319 to 108 for a Liberal Democrat amendment ending the anomaly. The former Liberal leader, Lord Steel, who led the attack, said last night: "This is a sensational result. The Government has been defeated by an overwhelming coalition of Liberal Democrats, Conservatives, cross-benchers, bishops and Labour backbenchers. Only Labour's obedient troops backed the Government's incoherent and unjust position."

The president of the students' union, Andrew Pakes, warning that the NUS would challenge the Government in the European Court on the issue, said: "The Government seems intent on pushing the legislation to the brink of destruction, despite the fact that they cannot believe the Scottish anomaly is a principle worth such a stance."

Opposition peers were last night still discussing whether to accept the verdict of the Commons, or to try to find a face-saving compromise, such as an amendment accepting the fees but with a commitment to review after one or two years.

Some Tories believe there is such widespread opposition to the "Scottish anomaly" that the issue provides the best possible opportunity for a show of strength against the Commons over Labour's plans to end hereditary peers' voting rights.

Meanwhile MPs will debate another highly contentious issue when an amendment to the Competition Bill, outlawing predatory pricing in the newspaper industry, comes up today.

Ginola follows in Diana's footsteps



Tottenham Hotspur's French footballer David Ginola (right), who is to take over the lead role in the International Red Cross's campaign against landmines which Princess Diana (left, in Angola) died before her death last August.

PHOTOGRAPHS: GIOVANNI RUFINO (left) and PAUL VICENTE

Soccer star to head anti-mines campaign

Stuart Millar on a celebrity role model taking a serious turn

DAVID Ginola, the exquisitely maned, square-jawed heart-throb who adds a touch of Gallic authenticity to the BBC's World Cup coverage, has been signed up to take over the role left vacant by the death of Diana, Princess of Wales in the international campaign against landmines.

The £2 million Tottenham Hotspur striker and former French footballer of the year will speak today at a news conference in Paris about the contribution that he hopes to make to the International Red Cross campaign.

But in a statement, the

International Red Cross said yesterday: "David Ginola is first and foremost a footballer and is supporting the campaign as he recognises the terrible effects that injuries caused by anti-personnel mines can have on the lives of people all over the world."

It insisted that Mr Ginola, aged 31, in no way considered himself a replacement for Princess Diana, but the comparisons between their roles are obvious.

Like Diana, Mr Ginola plans to visit a mine-affected country — football commitments permitting. It was the princess's visit

in January last year to Angola, where there are an estimated 15 million mines, and where a third of the population are thought to have been maimed by them, that shot the issue to the

'He's an incredibly talented man who considers himself lucky to have two legs and wants to help those less fortunate'

forefront of international concern.

Shortly before her death last August, she visited Bosnia to promote the cause as a guest of the

Landmine Survivors Network, which yesterday announced that Queen Noor of Jordan is to succeed Diana as its patron.

The Red Cross hopes that Mr Ginola will, like the

princess, give the campaign an international flavour. He is understood to have become involved through informal contacts with the French Red Cross which,

along with the British Red Cross, will co-ordinate his work.

The new role marks a more serious turn in Mr Ginola's career. Married with two daughters, he has listed his passions as cars, boats, eating out, blues music, the occasional cigarette, golf, backgammon and his family. As well as a lucrative contract to advertise L'Oréal shampoo, he has appeared in a Renault commercial and dabbled in modelling.

The appointment was welcomed by anti-mine groups. Campaigner Chris Moon said: "He is someone who is a role model for lots

of young people, and he is going to take the message to people in Europe who haven't really been involved in the issue."

"The principle behind his involvement is that he is someone who considers himself fortunate to have two legs, an incredibly talented man who wants to do something to help people who are less fortunate."

With the Government under pressure to ratify the Landmines Treaty before the first anniversary of Diana's death on August 31, MPs will work an extra day to pass the Anti-Personnel Mines Bill published last week.

New evidence keeps Robinson's future in doubt



Geoffrey Robinson: surprise move by Sir Gordon Downey

David Hencke
Westminster Correspondent

THE future of Treasury minister Geoffrey Robinson was still in doubt last night as the powerful committee of MPs examining whether he broke parliamentary rules by not declaring a £200,000 directorship delayed its decision for a week.

It is understood that MPs were presented with fresh evidence from Sir Gordon Downey, the Parliamentary Commissioner for Standards, on the activities of the Paymaster General when he headed two companies owned

by the disgraced Labour media tycoon, the late Robert Maxwell.

Sir Gordon has been following an audit trail to find out whether Mr Robinson has hidden a £200,000 payment. Information has been sought from auditors Coopers & Lybrand, receivers Arthur Anderson, and former Maxwell directors.

His report has been with MPs for two weeks but yesterday he apparently surprised MPs by offering more information on the Paymaster-General's business affairs.

Robert Sheldon, chairman of the Standards and Privileges committee, said yesterday that MPs would be meeting again next Tuesday to consider the case. He told reporters that they would be considering "further comments" by Sir Gordon.

Mr Robinson has faced a series of allegations that he failed to declare paid directorships in the Commons Register of Members' Interests.

The Tories have accused Mr Robinson of breaking parliamentary rules by failing to declare a £200,000 payment

they allege he received as chairman of Hollis Industries. The company was taken over by Maxwell and went bankrupt in 1991.

Mr Robinson has denied receiving the money or any breach of Commons rules. He has said that the firm's accounts which record the payment were wrong.

The Paymaster General is also accused of failing to declare a £150,000 payment from Central & Sherwood, which

was also owned by Mr Maxwell.

Mr Robinson has admitted receiving the money, but has said that he received the payment too late to meet the register's deadline.

The shadow chief secretary to the Treasury, David Heathcoat-Amory, said: "This further delay should help the committee get to the bottom of this tangled relationship, none of which has been disclosed to the House."

Rising asthma deaths fear

Lucy Patton

UP TO 24,000 people are dying each year in an "asthma epidemic" caused by air pollution, Environment Minister Michael Meacher said yesterday.

The Government was "very concerned" about rising levels of asthma — blamed partly on traffic fumes — among children, he added. Measures would be taken to reduce emissions and the number of vehicles in next month's transport White Paper, he told MPs.

Mr Meacher stressed that, during Britain's EU presidency, which ended last month, the EU had agreed to reduce emissions and improve fuel quality "to such an extent that new cars will be between 30 per cent and 50 per cent less polluting".

He said a Health Department committee had estimated that between 12,000 and 24,000 deaths were "brought forward" annually by short-term exposure to air pollutants from all sources.

Union chiefs yesterday demanded action on an epidemic of workplace asthma,

now the fastest growing occupational disease.

It is responsible for one in every six days lost through work-related illness, with Britain's 150,000 victims increasing by an extra 7,000 a year, said the TUC, which is calling for a code of practice for employers on their responsibilities to protect staff from the disease.

Its survey, Out of Breath and Out of Work, which is backed by the National Asthma Campaign, says compensation claims are growing faster than for any other work-related disease.

ACA
ALCOHOL CARE ASSOCIATION

BRENT & HARROW

A Major National Conference
24th July 1998 - London

Arlington Care Association and Brent & Harrow Health Authority are presenting this important one-day event which will present information and encourage debate on the key issues in the current and future direction of alcohol service provision within the UK.

Relevant to all involved in alcohol service delivery, from commissioners and front-line workers to primary care providers and service managers. Key speeches and workshops will be delivered by some of the key individuals and agencies responsible for the innovative responses to alcohol in England, Scotland and Northern Ireland.

For information contact: Mary Brennan
on 0181 961 7510 or fax 0181 453 1746

ACA is a member of the Novas-Overtures Group

NOVAS
OVERTURES GROUP

Not even close to sailing

SO WHY NOT HAVE A GO FOR FREE ON
18TH-19TH JULY NATIONAL GO BOATING WEEKEND

CALL NOW FOR DETAILS OF YOUR NEAREST CENTRE
0345 66 88 44

NATIONAL GO '98
WEEKEND

SAILING, WINDSURFING, POWERBOATING, WATER-SKIING & LOTS MORE!

*SOME LICENSING MAY MAKE A CHANGE FOR TUESDAY

Award Winner 1997 and 1998 - What Mortgage Magazine.

You don't have to move house to move to a better mortgage.

Just call Direct Line.

Mortgage example of £80,000 repayable over 25 years (360 monthly payments).				
Lender	APR (Variable)	Monthly Repayments (after tax relief)	Annual saving with Direct Line	Total Payable (gross)
HALIFAX	9.7%	£653.59	£550.32	£204,465
WOOLWICH	9.5%	£654.90	£525.96	£203,462
ABBEY NATIONAL	9.5%	£650.97	£518.88	£201,966
DIRECT LINE	8.5%*	£607.73	-	£187,902

APRs based on standard variable rate repayment mortgages. *Direct Line rate correct as at 1 July 1998. All other rates correct as 30th June 1998. FMRAS has been calculated under current tax legislation which may alter. Sources: Moneyfacts.

Transfer your mortgage to Direct Line and you could save over £500 a year.

- No arrangement fee.
- No valuation fee.
- No mortgage indemnity fee.
- Daily interest calculation.
- Call Direct Line now.

DIRECT LINE
MORTGAGES

0181 649 9099 LONDON
0161 831 9099 MANCHESTER
0141 221 9099 GLASGOW

CALL ANYTIME 8am to 8pm Monday to Friday and 9am to 5pm Saturday. Please quote ref. NGA02
www.directline.co.uk/mortgages Direct Line Financial Services Limited, 250 St. Vincent Street, Glasgow, G2 5SR.

You must be aged 18 to 62. Subject to status. Available in England, Scotland and Wales. Security required. Written questions on request. If own address is used and the legal fee amount is more than £200, Direct Line will pay the excess up to a maximum of £200. Other fees will be withdrawn at any time. Some mortgages may require payment of a fee on the existing lender when being transferred. Calls recorded and monitored. Direct Line and the red phone are trademarks of Direct Line Insurance plc, used with its permission. YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.

Doctors to hold conference on assisted deaths

BMA moves on suicide

Sarah Boseley
Health Correspondent

DOCTORS, uneasy at what they see as efforts by the pro-euthanasia lobby to enlist them in their cause, are to call a major conference to discuss whether they should help very sick patients to commit suicide.

The issue sparked a tense debate at the British Medical Association's annual meeting in Cardiff yesterday. The BMA's official position is opposed to euthanasia and physician-assisted suicide, which are both illegal. But those who feel that doctors must discuss the difficult ethical issues further and establish the views of all healthcare professionals, led by a contingent of junior doctors, won the day.

John Marks, former BMA chairman, made an impassioned call for representatives to listen to the voice of youth, reminding them of a previous ethical dilemma. "In 1968, the policy of this association was that although so-called social abortion was legal, it was unethical. I told the meeting they were hypocritical, not Hippocratic, because any patient of mine with £100 in her pocket could get an abortion." He had been booed off the platform, he said, and yet four years later, David Steel's Abortion Bill went through.

"In over 40 years, I have never deliberately killed a patient, but I have given them increasing doses, sometimes huge doses, of drugs to ease their pain in their final weeks, knowing that it might shorten their lives. Perhaps I'm being hypocritical, I don't know. I just know that when the time comes, I want a doctor who will give me a lot of assistance."

"It is just possible that the young Turks are light years ahead of the fuddy-duddies, as they were 30 years ago, but only full and open discussion can tell us," he said.

Carl Erhardt, a senior registrar at Charing Cross hospital in London, said a conference was "quite

unnecessary". Physician-assisted suicide was "not only morally wrong but quite incompatible with the ethics of medicine". He observed that "the right to die organisations in the UK appear to be increasingly focusing on assisted suicide as a first stage in achieving their aim of euthanasia."

He also referred to doctors in the Netherlands who had controversially helped pa-



'I have given patients growing doses of drugs, knowing that it might shorten their lives'

John Marks (above) former BMA chairman

tients to die. "I understand that the Dutch experience shows that euthanasia, once sanctioned, is applied to those who have not asked for it."

But Stuart Horner, a former chairman of the BMA's ethics committee, said he "shared the concern of those who fear that the protagonists of euthanasia, having so spectacularly failed in an open agenda, are now resorting to stealth to a hidden agenda."

"Decisions at the end of life are becoming increasingly part of modern medical practice. They will not go away because we refuse to discuss them."

The meeting overwhelmingly voted for the proposed conference to try to find a common position, even

though most speakers made it clear that they did not expect the BMA's opposition to physician-assisted suicide to change.

But a motion declaring that doctors had an obligation to their patients to help them end their lives, if that was what they wanted, was soundly defeated.

At a press conference afterwards, Michael Wilks, chairman of the ethics committee, said more patients were not asking doctors to help them die. It was not something patients wanted to discuss. They were more concerned about getting treatment and pain relief at the end of their lives.

He hoped the debate could move on to a different level. "What really matters is that the patient can make competent refusals of treatment. It gets us away from the much more difficult issue of termination of life, which is an issue which I think most patients don't want to contemplate at all."

The younger hospital doctors raised other ethical concerns yesterday.

They said that they were expected to tell patients what their treatment would involve and what the consequences might be, so that the patient could give properly informed consent. But they found that what goes on in hospitals is far from satisfactory.

Paul Albert, doing his first year in hospital after medical school, said that although there were procedures for talking to the patient through the treatment they were about to have, "I have seen very few of these procedures performed and don't know enough of the details to get patients to give informed consent. A lot of patients are wheeled into theatre without really knowing what is about to happen to them. This is unsatisfactory. We are really sitting on a bit of a timebomb here."

Dr Wilks agreed that procedures were not always followed, but argued against the setting up of a working party to put together guidelines for doctors. But the junior doctors' motion succeeded by a narrow margin on a card vote.



A scene from the popular TV drama series, Peak Practice. Doctors have complained such programmes distort the vicissitudes of medical life

GPs rail at TV medical dramas for nursing false hopes

Stuart Miller

DOCTORS yesterday launched a scathing attack on television medical dramas which they accused of misleading viewers.

A year's work on doctor-patient relationships could be destroyed by a minute of television fiction, the BMA conference was told.

Senior BMA figures have

opened discussions with television producers in an attempt to persuade them to balance dramatic necessity with reality.

ITV's *Peak Practice* drama and the GPs who form its central characters were singled out as the worst offenders for giving viewers the impression that doctors were able to visit patients on demand at any time of day or night.

"I was incredulous when

I watched the first episode," Chaand Nagpaul, a London GP told the conference. "When a man collapsed in the street, the neighbours didn't call an ambulance, they called their GP. When a patient went missing on the moors, the GP took the whole morning off to search for him."

"I would like to know how they manage this if, like other GPs, they have

50 patients sitting in the surgery. I feel these programmes should be vetted in order to educate the public about how doctors really work."

There has been a rapid growth in medical-based television dramas in recent years. BBC's *Casualty* has enjoyed impressive ratings, while the American series, *ER*, starring George Clooney, has been a huge hit in Britain and America.

Spoil Sport by Nicky Clarke.

The Rules. 1 Remove clothing. 2 Remove partner's clothing. 3 Grab a pack of Nicky Clarke Energy Boost Protein Shampoo from the new Sport range. 4 Massage into wet hair the rich, nourishing combination of Pro Vitamin B5, Almond protein and minerals. 5 Rinse. 6 Enjoy. (Don't let anything get in your way.)



Bully laughed as victim lay dying, court told

Helen Carter

A 16-YEAR-OLD boy was beaten to death by a school bully who laughed as he lay on a pavement with severe head injuries, the Old Bailey heard yesterday.

The attack on Manish Patel was so violent that he suffered brain damage, two skull fractures, bleeding in the brain and a severed lens in one eye. He began coughing up blood, had a fit and died in hospital 39 hours later.

He was punched and kicked on July 7 last year in Kenton, Middlesex, as he returned home from the first day of a holiday job.

The defendants, aged 16 and 17, who cannot be named, are both charged with actual bodily harm. The younger one is also charged with murder.

Prosecution barrister Julian Bevan QC told the jury that 5ft 5in Manish Patel was much smaller, lighter and

weaker than his tormentors — one of whom had described him as quite pathetic, he said. He described the attack as bullying in its crudest form and said: "The 16-year-old defendant maintained a systematic physical attack on that young man... who was no match for him. During the course of that attack he struck Manish Patel repeatedly about the head using both his fists, punching him on both sides of his head, punching him in the stomach, kneeling him and ultimately delivering a vicious upper cut into his mouth. It was not only a vicious attack but a wholly unprovoked one."

He said no single blow caused the injuries but as a result of the assault, Manish fell onto the road and cracked his head on concrete.

Mr Bevan said the 16-year-old had wanted to give his victim a hiding for some weeks, probably relating to a small amount of cannabis.

Manish had met the two defendants on a bus and when

he left it at Kenton, the younger one demanded money and took him into an alley where he slapped and prodded him, and then ordered him to choose which teenager he wanted to fight, the court heard.

After Manish chose the 17-year-old, he "went mad", hitting him so hard he cut his own fist. The prosecution claim that minutes later the 16-year-old launched his own assault.

Mr Bevan said: "Manish Patel was at his mercy and he showed him none. When Manish fell his attacker... muttered words to the effect of 'pick him up, I want to hit him again', and did. He even ignored pleas by his friend to stop hitting Manish, and stood laughing when he collapsed."

A friend of Manish's, Donald Carter, 19, told the court he had seen him being dragged by his clothing by the 16-year-old a month before the fatal attack.

The trial continues.

Speaker defends MPs' role

Anne Perkins
Political Correspondent

THE Speaker of the House of Commons, Betty Boothroyd, last night challenged Labour plans to change the way MPs work, delivering what amounted to a rejection of Labour's view of an MP's role.

Any change should recognise that voters thought MPs' main job was at Westminster, and not winning the next election in their constituencies, she said.

As Speaker, Ms Boothroyd is defender of the independence of the Commons. Her broadside against government plans to end Friday sittings and have all-day sittings on Thursdays will be welcomed by some Labour back-

benchers, who are alarmed at party headquarters' demands for high levels of constituency activity.

Ms Boothroyd, writing to the Leader of the Commons, Ann Taylor, who is in charge of modernising the Commons, said: "A change to sitting hours needs to be considered in the light of its contribution to improving Members' ability to discharge their duties both to the House and to their constituents."

In a four-page response to the proposed reforms, she emphasised her belief that MPs should be "scrutinising legislation, holding the executive to account and debating issues of national importance". Criticising the Labour whips' practice of sending MPs on "constituency weeks"

where they concentrate on building support for the party while Parliament is sitting, she suggested that Parliament should continue five-day-week sittings, with "occasional" weeks off for MPs to return to their constituencies.

She said sitting on Thursday mornings would lead to a serious conflict between standing committees, where government legislation is considered, and Question Time, which are one of MPs' best opportunities to find out what the Government is doing and why. She also warns that the public perception would be of lazy MPs.

A committee of backbench MPs is considering Mrs Taylor's proposals, which were published a fortnight ago.

POLAND
10 Day
Holiday
with Half
Board
To Zakopane in the
Beautiful Tatra Mountains
New Millennium Holidays
Brochure: 0121 711 3379

education
Every Tuesday in the
The Guardian

First response to the BSE crisis was impressive, but some financial deals were debatable. **James Meikle** analyses the official report

Scare that sent money up in smoke

THE BSE crisis, now thought to be responsible for the death of 27 people in the last three years, caused unprecedented uncertainty and fear in thousands of farmers, hundreds of businesses and millions of consumers, the National Audit Office concluded yesterday.

Eventually it might cost British and EU taxpayers more than £4 billion, and result in the culling of 8 million cattle, although the disease has been confirmed in only about 170,000.

The NAO report on the past two years of the BSE epidemic, which formally began in 1986 and should be over by early next century, comments "impressive results" by the then Conservative government and its agencies in seeking to protect human and animal health, reassure consumers, save the beef industry, and comply with EU demands.

It questions, however, some of the financial deals struck with farmers, slaughterers and animal renderers, suggesting that proper tendering and more accurate compensation might have saved money in the months after March 1996, when ministers formally acknowledged apparent links between BSE and new variant Creutzfeldt-Jakob Disease in humans.

The Intervention Board, the main agency responsible for cattle culling, told the NAO its priority was to meet public and political concern over backlogs of cattle for slaughter, carcasses for rendering, and waste products for incineration.

The NAO highlights the tensions between political considerations, including EU conditions for the beef export ban to be lifted, and other advice, which has questioned whether some apparently healthy animals have to be slaughtered to protect the human food chain.

About 3.85 million cattle have died or been slaughtered since the first diagnosis in November 1986, most in the last two years. But another 4.25 million animals may be culled.

Among dilemmas the NAO raises for the Labour administration are how much longer farmers should be compensated for culled animals, how long cattle culled over 30 months will be banned from sale, and how

Britain gets rid of the "mad cow mountain" of 500,000 tonnes of meat, bone meal and tallow, now stored around the country.

But the NAO recognises that ending the 30-month scheme, the most expensive of the anti-BSE measures — introduced because BSE has very rarely been found in animals that young — depends on protecting human health rather than reducing expenditure.

Such a move could only be contemplated if preconditions were met — "including a low incidence of BSE in cattle and low risk of infection; no further evidence of infectivity in tissues not included in spec-



'Compensation was too generous — at least for beef animals'

fied bovine material controls; evidence that BSE is no longer occurring in young cattle; and the incidence of new variant Creutzfeldt-Jakob disease in humans remaining low."

The report notes that the Over 30 Month Scheme was set up under pressure. But the impressive results, including the slaughter of 60,000 cattle a week by November 1996, were achieved "at considerable costs to the UK and European taxpayer, especially in the early stages".

Abattoirs were at first paid £27.50 a cow to slaughter cattle, despite the fact there may already have been room in the system to deal with the cull. By August 1996, this had been reduced to £41 a head and in July last year it was cut again to £25. The slaughterhouses have so far been paid about £94 million for killing the cows and another £78

million to subsidise the industry because it could not sell on carcasses for rendering into other byproducts.

Similarly, renderers, where there was a shortage of plants to do the work, received both fees for culling (nearly £100 million) and more than £150 million to compensate for the loss of byproduct trade. Fees were £105 per tonne at first, although they have dropped to an average of \$82.

The report says farmers benefited from compensation that was too generous — at least for beef animals. But adjustments to falling market prices and cuts and ceilings on the compensation rates had changed that. The average compensation paid per animal under the first 18 months of this scheme was £475.

The report suggests that some farmers deliberately fattened up dairy cows to get extra payments before weight limits were introduced, although the National Farmers' Union disputes this. Inaccurate calculations for compensation determined by the EU at first made it profitable for farmers to sell animals directly to abattoirs rather than using markets.

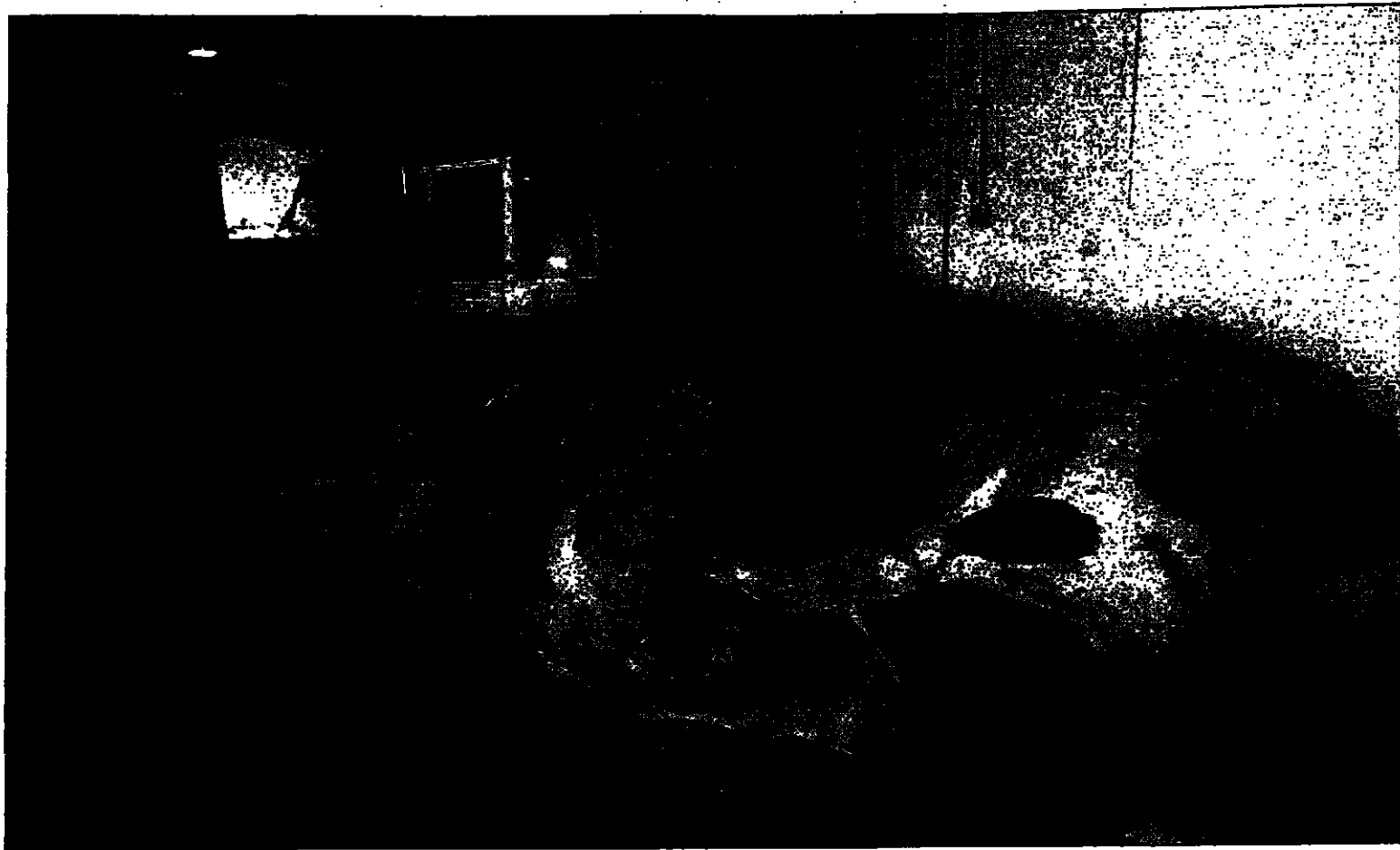
A separate selective cull of animals most at risk from BSE — born in the same year and within the same herds as confirmed cases — was introduced under the EU deal, which ensured some financial support from Brussels, despite Britain feeling it would have a limited impact on the epidemic.

Farmers got far more in compensation for these animals — an average £1,400 for a pedigree animal and £1,000 for a non-pedigree cow — because the scheme was compulsory, while the 30-month one was voluntary.

Much of the money spent by the Government (about half the £1.5 billion in 1996-7, for instance) is reclaimable from Europe, although some Brussels payments will not be completed until next century.

The NAO reports huge increases in staff during April 1996 and September 1997. The Intervention Board took an extra 331 people, an increase of more than a third, while another 640 were employed by the Ministry of Agriculture or the Meat Hygiene and State Veterinary Services.

BSE: The Cost of a Crisis, Stationery Office, £13.75



Cattle carcasses are burned... the crisis may eventually cost EU taxpayers £4 billion, the NAO report suggests

PHOTOGRAPH: TOBY MELVILLE

Death toll	
Number of cattle infected by BSE since 1986	2,382,203
Number of cattle slaughtered under the Over 30 Month Scheme	1,256,808
Number of cattle slaughtered under the 30 Month Scheme	72,200
Number of cattle slaughtered under the 12 Month Scheme	1,574.0
Number of cattle slaughtered under the 6 Month Scheme	320.0
Number of cattle slaughtered under the 3 Month Scheme	1,000.0
Number of cattle slaughtered under the 1 Month Scheme	1,000.0
Number of cattle slaughtered under the 0 Month Scheme	1,000.0

Dead cow mountain will finally be burned and returned to the land

Martin Walnerwright

THEY LOOK like gravel granules, and may be equally unthreatening, but the security over the remains of slaughtered cattle is like something out of Northern Ireland.

Sealed doors, rigorous consultation with councilors and MPs and a range of other precautions surround the 12 warehouses at nine sites between Malpas on the Antrim coast and Warrington in Devon.

Known in the initial-dominated world of BSE as the "MBM mountain" (for Meat and Bone Meal), the dark brown heaps of rendered carcasses have

climbed to 328,000 tonnes in store, along with a smaller mountain of tallow, mostly from heasts slaughtered under the Over 30 Month Scheme.

These were cattle which had reached 30 months without showing any signs of BSE or related symptoms, technically fit for human consumption but killed as part of the precautions triggered by the beef scare. Their carcasses were rendered, or ground up and baked, along with spinal material from younger animals slaughtered for human consumption, and similar material from sheep and goats.

Warehouses such as the neighbouring trio at Pres-

ton, Chorley and Longton in Lancashire were picked for MBM through tender to the Government's Intervention Board, which is dealing with the unprecedented operation. Diseased animals were sent for more prompt incineration.

To see the granules requires the presence of Meat and Livestock Commission officers and the breaking of seals. But in due course the mountain is expected to become part of Britain's daily life, as landfill, after incineration.

Jeff Rooker, the Food Safety Minister, said this week that contracts to burn the mounds and then send them as ash for burial were expected soon.

Genetically altered crops 'could wipe out farmland birds'

John Vidal

SOME of the country's most treasured birds and wildlife could be wiped out if genetically modified (GM) crops are grown without more testing, the Government's advisers on nature conservation warned yesterday. The skylark, the linnet and the corn bunting — all of which live on farmland — could be at particular risk, they say.

Calling for a three-year moratorium on the commercial growing of the controversial crops, English Nature scientists called for changes in the rules governing their planting until more tests had been done on their ecological effects.

The move highlights a growing split between the Department of Trade and Industry and the Ministry of Agriculture, which want the early introduction of the crops, and the Department of the Environment and Transport, which is more cautious.

"More research is needed and existing research needs

to be completed before we can have a better idea of the possible effects of genetically modified organisms on our already hard-pressed wildlife," said Brian Johnson of English Nature. "The environmentalists' untested introduction of genetically modified organisms could be the final blow for species like the skylark, the linnet and the corn bunting."

Dr Johnson warned that the introduction of the crops could herald a profound revolution in British agriculture.

"It can effectively create novel life forms and has the potential to do so at a rate unparalleled in Earth history," English Nature's statement said.

A spokesman for the leading GM company, Monsanto, said yesterday: "These products have been tested and grown for 20 years. They are evaluated by seven scientific committees and four government departments in Britain. It's in our interests to make sure they are safe."

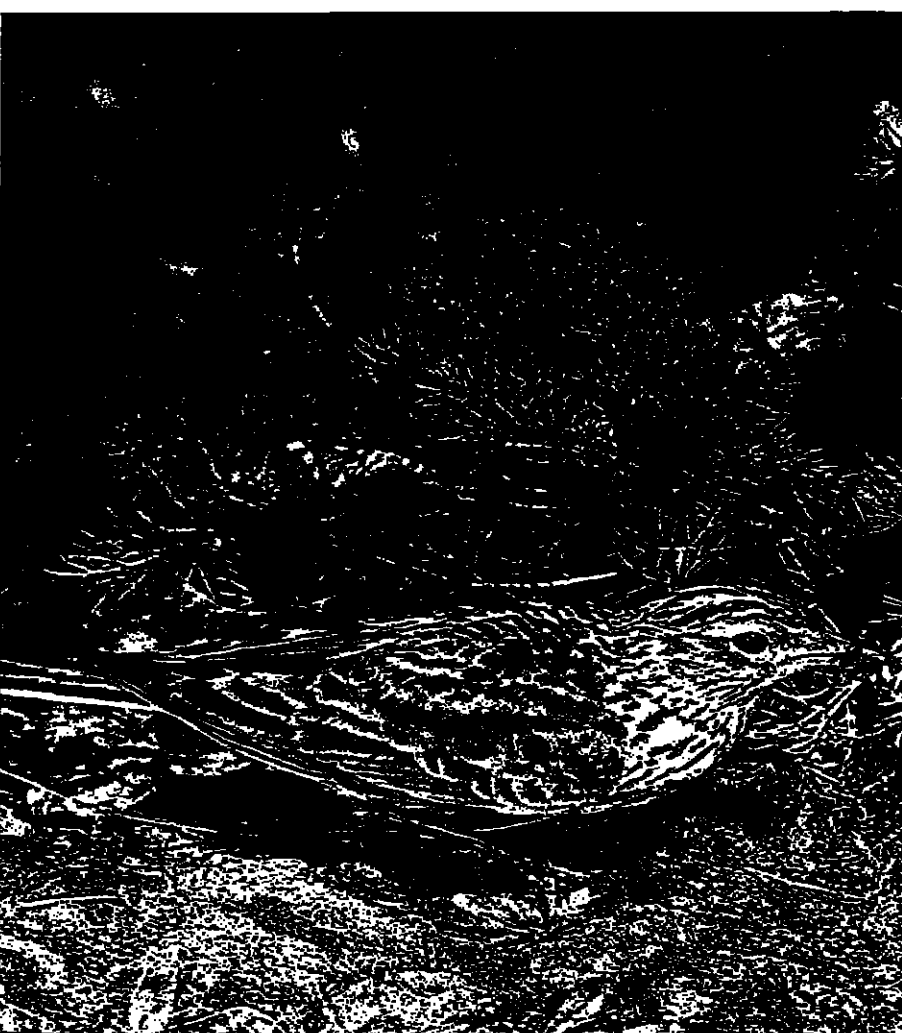
The call for a moratorium was backed by two of Britain's largest voluntary

groups, the RSPB and Friends of the Earth. Government environmental bodies, including the Countryside Council for Wales, Scottish Natural Heritage, and the Northern Ireland Environment and Heritage Service, are known to support English Nature's position.

But English Nature said it was "certainly not" against the development of GM crops that benefit the environment. Some crops are expected to considerably reduce the need for pesticides and other chemicals. However, there have been confirmed reports that the crops could cross-pollinate over a considerable distance into other crops.

EN's call for caution comes at a crucial time for the chemical industry, which hopes to grow them widely in Britain next year, but is meeting considerable, and growing, public scepticism.

Mounting opposition from a coalition of consumer and environment groups culminated last weekend in five women being arrested in Oxfordshire for damaging a test site for Monsanto crops.



The skylark could be at risk from untested genetically modified crops PHOTOGRAPH: BRIAN BEVAN

News in brief

Register for nannies 'would not work'

CABINET Office advisers yesterday told ministers to reject calls for a national register of nannies and au pairs, for fear that it would create bureaucratic confusion without offering greater protection to children.

The Better Regulation Task Force, an independent group of advisers appointed by David Clark, the Public Service Minister, urged the Government to provide clearer guidelines for parents. Parents, it added, should be able to check out prospective carers by getting cheap access to police reports. But any attempt to license nannies and au pairs "would stand the risk of reinforcing a false sense of security" among parents who had to retain responsibility for their children's safety, *John Carol*

Posted injured in action

A POSTMAN who claimed delivering mail to homes with low-level letter boxes caused him back damage was awarded £184,500 (£36,500) in the Irish high court yesterday.

Ian Barclay, aged 63, from Tallaght, Dublin, also won costs in his action against Ireland's An Post postal service company after the judge said his problem "was of considerable public importance". A flood of similar actions are expected.

Mrs Justice Catherine McGuinness said the risk had been foreseeable and she looked forward to the case persuading authorities to act against siting mail boxes in low positions.

1m to camp in eclipse county

A DEVELOPMENT company is planning to offer camp sites for around a million people for next year's total eclipse of the sun in Cornwall. The county's eclipse co-ordinator has predicted that between 2 and 4 million people could visit the county to see the first UK mainland eclipse for 70 years. It will happen on August 11 for around two minutes six seconds on the line of totality, between Penzance and Falmouth.

Corfu check on death

BRITISH detectives are to fly to Corfu to investigate the death of a holidaymaker, Karen Murray, aged 19, from Birkdale, Merseyside. They are being sent at the request of the coroner holding an inquest into her death.

Miss Murray collapsed and died after complaining of stomach pains two months ago. Greek authorities blamed surgical swabs and clips found in her body but a Home Office pathologist's examination was inconclusive. The recovery of the swabs and clips is a primary reason for the trip.

Lack of verve cuts band

THE Verve, one of Britain's top bands, has been reduced to a four-piece after guitarist Nick McCabe pulled out of touring, the group said yesterday.

McCabe will not rejoin the Bittersweet Symphony hitmakers for any dates for the rest of the year and will miss two key British Festival dates, the V98 shows in Chelmsford, Essex, and in Leeds. A spokesman said: "Nick just can't face touring."

Train strike going ahead

A 24-hour strike by London Underground workers is set to go ahead from Sunday evening, RMT union said yesterday.

Madeleine Bunting Religious Affairs Editor

THE secretive process of appointing bishops in the Church of England needs to be made more open, the Rt Rev David Hope, Archbishop of York, told the General Synod yesterday, suggesting that vacancies could be advertised and candidates interviewed.

The Synod agreed to set up a working party to review the workings of the Crown Appointments Commission (CAC) — which draws up the shortlist of names for a bishopric from which the Prime Minister makes an appoint-

ment — but it stopped short of reconsidering the role of Downing Street in choosing church leaders.

In a heated debate on the last day of the Synod's meeting at York yesterday, there were several calls for disestablishment of the Church, but the Synod heeded warnings against opening the question of Church-State relations when constitutional reform was on the political agenda.

Controversy flared last October when Downing Street broke the strict code of secrecy to let it be known that Tony Blair had rejected both names put forward for the vacant see of Liverpool.

Dr Hope urged the Synod to

leave alone the "essentials of the agreement between Church and State" and focus on how names came to the CAC and where information on them came from.

"Does the man himself have any opportunity to nominate a referee or indeed to contribute his own comments and reflections about his ministerial life and future?" he said. "Natural justice surely demands [this]."

The CAC is notoriously secretive. People under consideration do not know they are being discussed, they are never questioned and cannot put forward referees. No one outside the commission can know the date or venue of its

meetings, and members are sworn to secrecy.

"The system militates against men who are not cut from the same cloth; it shields away from people who might be described as prophets or having vision," said Christina Rees, Synod member for St Albans and a diocesan member of the CAC.

"More often than not, it opts for a safe pair of hands. The information is subjective, unverifiable and inconsistent... and the system is inscrutable and labyrinthine." The debate reflected concern at the highest levels of the Church that a more open and accountable system was needed urgently. At the Feb-

ruary Synod, the Rt Rev George Carey, Archbishop of Canterbury, called for a review, and Christina Baxter, a CAC member, provoked controversy when she called for reform in a preface to the Church of England Yearbook.

Although the Synod heavily debated a motion calling for the review to consider removing all Downing Street involvement in bishops' appointments, the fact that several speakers brought up the question of disestablishment shows the issue is gaining more acceptance.

The Rt Rev Colin Buchanan, Bishop of Woolwich, said: "Many people are baying for disestablishment."



Archbishop David Hope: 'Advertise jobs for bishops'

Australia's former 'big ideas' prime minister tells **Martin Woollacott**
Labour policies played no part in the rise of Pauline Hanson's party

Keating defends his legacy

THE former New South Wales club in Sydney, a 19th-century gentlemen's refuge overlooked by skyscrapers, is a strange home for Paul Keating. As treasurer when Bob Hawke was prime minister, and then prime minister himself, Mr Keating was famous for exhorting a sometimes reluctant Australia to face the future and not cling to the past and the familiar.

It old things had served their purpose, like the monarchy, then it was time to be done with them. This determinedly modern Australian is oddly situated in the mahogany-lined rooms of the club, part of which has become his offices. But they make an effective sounding box for his anger, which is that of a man who sees his handwork threatened. Mr Keating was the author of most of the changes in Australia that are at the centre of the present political drama.

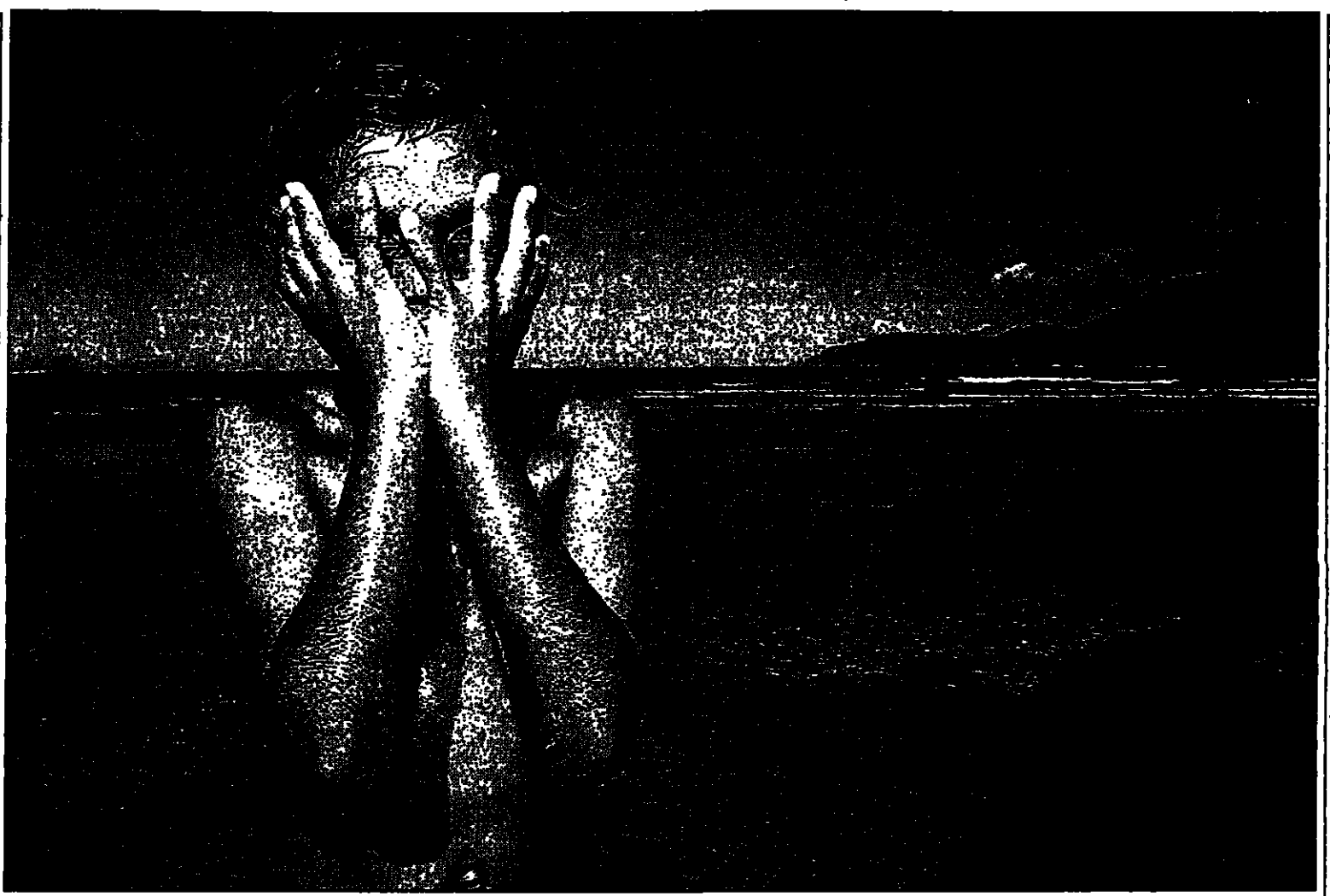
As treasurer he deregulated the economy, opened it up more completely to outside finance, investment and trade. As prime minister he emphasised reconciliation between whites and Aborigines and upheld native title rights.

As a maker of foreign policy, he worked to make Australia a leading influence in the region and in the Asia-Pacific Economic Co-operation (Apec) grouping. As a shaper of Australian institutions, he embraced the idea of a republic.

The political crisis pivots on three of these issues. Pauline Hanson's One Nation Party is in revolt against the open economy. Aboriginal rights and Australia's 'Asian' destiny are the republic of Mr Keating's big ideas, is not controversial.

Spry and straight-backed, Mr Keating still sometimes looks like the boy politician he once was. His supporters call him an idealist, his enemies dismiss him as a feckless dilettante. All agree he has left his mark on Australia.

His career blossomed so early that he has been described as a 'premature political veteran'. Now, still youthful but with no way of



An Aboriginal boy plays on a beach in northern Queensland. Last week's compromise on land rights has infuriated Paul Keating. PHOTOGRAPH: DAVID GRAY

returning to politics, his energies have no obvious public outlet except to defend his legacy.

He resists the view that One Nation is a reaction to the political correctness of the Labour years.

He says: "The break with policy came not with Hanson. There have always been Hanson in Australia. The break came because a prime minister gave de facto support to these ideas."

The equivocal reaction to Ms Hanson by John Howard, the Liberal prime minister who replaced Mr Keating

after a landslide victory in 1996, was deeply mistaken, or worse. "Fifty years of sympathetic assimilation have been sullied, in the eyes of our neighbours," Mr Keating says.

"It's a disaster for us. You know, you can go to people in Asia and you can say to them: 'Look, we don't like your milk tariffs... but you can't say, and by the way, we don't like your looks.'"

The impact of Hansonism on the country's Asian neighbours is compounded by what Mr Keating sees as the Howard government's inertia in

foreign policy. Labour, he claims confidently, played a leading role in Asia, was a steward of Apec and could claim partial credit for the rapprochement between China and the United States symbolised by last week's Clinton visit.

"The current government has adopted all of our policies on China and the region — but you've got to do it with heart and passion and belief. They have the words, but not the music," he says.

This means Australia is "losing authority and legitimacy" in the region. It lost its

chance to argue with Washington and the international financial institutions for a different approach to the Asian economic troubles. Mr Keating appears to believe the crisis in Asia could have been avoided had Australia been more active.

The compromise on Aboriginal land rights, which has enabled the Howard government to avoid an election in which One Nation might have achieved an influential position in the upper house, has particularly infuriated Mr Keating. Mr Howard's bill to limit native title was opposed

by half the senate, which felt it constricted rights that were already partial and subordinate to other claims on the land.

The vote was swung by an independent Roman Catholic of liberal views, Brian Harradine. Mr Keating attacked Senator Harradine in the Sydney Morning Herald this week, as well as Father Frank Brennan, a Jesuit who works with Aborigines, for letting the Howard government off the hook.

They may "imagine they have saved the country from a race-based election. In real-

ity they have saved Howard from paying the price for his folly, and made the Aborigines pay for it instead," he says.

Mr Keating adds: "We had to face the simple truth that there was a civilisation here when we came. That is what this is about — not some plot of the Labour government led by me to deprive Australian farmers of their land."

Mr Keating's version of events is put forward with characteristic force and flashes of wit. But it is, naturally enough, a version that suits his idea of his place in history. Even some of his supporters think he exaggerates his and Australia's impact in Asia. And most commentators believe today's problems have roots in the years of Labour rule.

But Mr Keating will not accept that the One Nation mood in the country is a consequence of his policies. He refuses to connect his defeat in 1996 with the restiveness of the electorate today. Yet there is a strong argument that a large number of voters, disturbed and in some cases disadvantaged by the rapid changes under Mr Hawke and Mr Keating, showed their disapproval of the additional burst of change under Mr Keating's leadership by voting him out.

Barely two years later some of the same voters may be deserting the mainstream conservative parties because they have not reversed or sufficiently slowed down those changes.

Mr Keating's vision of Australia, which is of a street-smart country maximising its chances in a difficult world, has been put out of focus by recent events. "When a small nation has inherited a Garden of Eden, your footwork has got to be exemplary," he says.

He is acerbic about those Australians who cannot or will not understand the need to be constantly alert and energetic. "The country thought they could have a snooze, break from it all. Howard let them think they could just be comfortable and we could all just mill around for a while."

Mr Keating's quick smile flashes. "Unfortunately that's what Australia did."

Airport software hits hard landing

John Githings in Hong Kong

SENIOR government officials stepped in yesterday after Hong Kong's new Chek Lap Kok airport descended into chaos.

Computer systems crashed, passengers missed flights as thousands of suitcases went astray, and ground cargo handling was shifted to the old Kai Tak airport, which closed on Sunday.

Anson Chan, Hong Kong's chief secretary, and Donald Tsang, the financial secretary, returned to the new airport to discuss the crisis with staff only 36 hours after they had welcomed the first passenger arrivals.

It was time to act, Ms Chan said, so that "small problems should not build up into big problems".

Many passengers were told by airlines to wait at home for luggage to be delivered. Bewildered people waiting for friends and relatives were advised to ignore the arrivals board, which was blank or inaccurate.

Cargo delays have hit at the heart of Hong Kong's export business, which relies on speed. HACT, one of the biggest companies, said it would process outward cargo at Kai Tak before taking it by lorry to the new airport. Hundreds of lorries had queued at Chek Lap Kok as the cargo computer failed.

Human and technical errors caused the fiasco. Inexperienced staff misdirected luggage, and faulty computer software hit cargo operations. Five of the airport's 11 bridges left passengers stranded.

The airport was formally opened last week by President Jiang Zemin of China and was used by President Bill Clinton. But public opinion is turning against an operation seen to reflect badly on the territory.

The airport shift was the biggest event in Hong Kong since its handover to China last year, but the boost to confidence is in danger of being reversed.

Bribery conviction threatens political career

Jail sentence for Berlusconi

John Hooper in Rome

SILVIO BERLUSCONI, Italy's opposition leader and former prime minister, last night suffered a serious blow to his political career when a court in Milan sentenced him to two years and nine months in jail for bribing tax officials.

The verdict brought to a climax, if temporarily, a case that has had a bigger influence than any other on Italy's recent, turbulent political history. The accusation behind the trial brought down the media magnate's brief rightwing government four years ago.

The hearing spawned numerous controversies, including a claim that Berlusconi's aides had blackmailed the prosecutor in charge of the case into leaving the legal profession. That accusation led to a separate trial at which the charges were dismissed.

Ennio Amodio, Berlusconi's lawyer, said last night: "He told me this is a political verdict... and that there is no justice for him in Milan."

The tycoon politician will not go to jail immediately, or perhaps ever. Under Italian law, most convicted defendants are freed pending the outcome of appeal proceedings. They have an automatic right to two appeals which

can take years, or even decades, to be heard.

Nevertheless, it is difficult to imagine the country being led by a politician who is a convicted criminal. It is particularly damaging that the judges agreed to a sentence just three months short of that called for by the prosecution.

Although he has demonstrated an astonishing capacity for survival against the odds, Berlusconi's position as the opposition's only visible candidate for the election has been severely undermined. He has finally become untenable.

Berlusconi had been charged with authorising four separate bribes to revenue guard officers in return for favourable tax inspections of his companies. The payments ranged from £19,000 to £47,000.

Evidence was produced at the trial to show that another defendant, an MP elected for his free-market Forza Italia party, had met Berlusconi soon after warning one revenue guard involved to keep quiet about the bribes.

Similar charges of bribing tax officials levelled at leading figures in the Milan fashion world were dismissed last year. The judges accepted evidence that money had been extorted rather than proffered. It was the second guilty

verdict for Berlusconi, who was convicted in December on the lesser charge of fraud in a 1987 film company deal and given a 16-month suspended sentence.

The inquiry leading to last night's verdict began while Berlusconi was in office in 1994. It was led by Antonio Di Pietro, the then star of the so-called Clean Hands team of anti-graft prosecutors.

The public learned of Berlusconi's involvement in November that year in the most farcical manner. News that he had been formally cautioned was leaked to the press while he was presiding at an international conference on organised crime.

In December 1994, Berlusconi, still prime minister, was called in for a day-long questioning at the main Milan courthouse. The blow to his prestige was irreversible. Later the same month, the separatist Northern League, which held the balance of power in parliament, withdrew its support and brought his coalition down.

The judges who convicted Berlusconi acquitted his brother and business partner, Paolo. But the court ordered that papers relating to evidence from a secretary and an aide of the tycoon should be referred to the prosecution with a view to perjury charges.



Striking parade performers at Euro Disney hold banners at the entrance to the amusement park in Marne La Vallée, east of Paris. They are asking to be classified as amusement park artists, which would give them a pay rise of 10-40 per cent. The two-week strike has been largely good-natured, with some strikers donning masks, but has pitted an American-style company against France's welfare-oriented culture. PHOTOGRAPH: REMY DE LA MAUVINIERE

Burmese democracy leader flees 'escorts'

AP in Rangoon

THE Burmese pro-democracy leader, Aung San Suu Kyi, was reported to be refusing to leave her car yesterday after a move to break out of her semi-official confinement at her home in the capital Rangoon, official sources said.

The military government said Ms Suu Kyi, head of the National League for Democracy (NLD), the party chairman Aung Shwe, another party official and their driver, were stopped by the local security officials at Shwe Mya Yar Village.

Local officials noticed that the government security personnel who accompany Ms Suu Kyi on her rare trips were absent, a statement said. They asked her group not to proceed with their trip to Min Hla township, 92 miles north of Rangoon. The absence of the security team seemed to suggest Ms Suu Kyi had sneaked away from her closely guarded residence, where she was under house arrest without trial from 1989 to 1995.

A military official said her group remained at the spot, 30 miles north of Yangon, the capital, yesterday evening.

The incident comes amid heightened tension between the military regime and the NLD, which recently decried that the military allow the winners of a 1990 general election, in which the NLD swept to victory, to take their seats.

VW to compensate war slaves

Ian Traynor in Bonn

VOLKSWAGEN, Europe's biggest car maker and the owner of Rolls Royce, yesterday reversed decades of stonewalling about its second world war activities and agreed to compensate slave labourers who survived its factories in northern Germany.

The company, its board members' minds concentrated by the pending court action of 30 former slave labourers demanding compensation, announced it was setting up a "private aid fund" to be shared among those forced into its Wolfsburg factories during the war.

For years Volkswagen has rebuffed demands for compensation, saying individual companies were not liable for the war crimes and abuses perpetrated in Nazi Germany, that it was not the legal successor to the wartime firm which produced Hitler's "people's car", and that all claims should be directed to the German government.

Bonn resisted all claims for individual slave labour compensation, saying nothing could be done in the absence of a definitive peace treaty settling the war, and that compensation was made under Germany's agreements with other countries.

Survivors of slave labour,

estimated at up to 10 million in Nazi Germany, were able to claim for imprisonment and health damage but not unpaid wages.

In recent years Volkswagen has opened its archives and authorised Hans Mommsen, the respected historian, to research its record.

He established that nearly two-thirds of Volkswagen's workers were foreign slave labourers by 1942 and dismissed arguments that German industry was compelled to use slave labour through Nazi political pressure.

"Volkswagen enjoyed considerable scope and many of its own initiatives led to the conclusion that it functioned

as an active accomplice of the regime," he said.

About 10,000 forced workers — Poles, Jews sent from Auschwitz, and Soviet POWs — were engaged in wartime arms production at Wolfsburg and, said Mr Mommsen, were forced to work in appalling conditions.

Yesterday's statement said the Volkswagen board had decided to award "humanitarian aid" to individual victims forced to work in Wolfsburg in the years 1944-45.

The 30 surviving Hungarian Jewish victims suing Volkswagen are demanding 4,000 deutschmarks for every month they were forced to work for no payment.

Jamming devices cut noise pollution

Jonathan Watts in Tokyo

FOR those who don't like sharing their sushi, concerts or train journeys with people having heated discussions on their mobile phones, Japanese entrepreneurs have come up with the ultimate countermeasure — mobile jamming devices.

With cellular chit-chat becoming more of a public nuisance every day, the government has proposed using jamming equipment to ensure that theatre and concert audiences are not interrupted by bleeps and electronic melodies.

Demand for the devices has come hard on the heels of a rapid growth in the market for mobile phones in Japan, which now has the second-highest number of users in the world, after the United States.

Among the companies cashing in on the desire for a little peace and quiet is Nikkodo, which supplies jamming equipment to hospitals and coffee shops. According to the company, the devices have proved extremely popular.

On a smaller scale, SIC, a Tokyo-based manufacturer, has produced a jamming device aimed at individual customers, which sells for

£276. With a range of just 10ft, it is ideal for putting an end to mobile-phone conversations on trains.

But regulators are concerned that such equipment could be misused. Last month they proposed a licensing system for the devices and said usage should be restricted to areas where mobile phones could create significant disturbance.

Mobile phone subscriptions in Japan have soared from 300,000 in 1994 to almost 30 million today, or one in three of the population. This is largely thanks to deregulation, which has pushed prices down almost to the level of ordinary

phones, and technical innovation, which has created the lightweight, powerful handsets now given free to new subscribers.

But noise pollution has become a major nuisance, prompting bans in many restaurants, cinemas and offices.

Tokyo's largest railway company, JR East, has introduced a campaign to persuade commuters from using mobile phones on trains. But few people switch their handsets off before boarding, and a single ring is usually enough to send at least three people tumbling inside their pockets or bags.



President Franjo Tudjman: Reinstated the flag of Croatia's pro-Nazi Ustashe regime
PHOTOGRAPH: STEWART KENDALL

As the boys from the Balkans prepare to face France in the World Cup semi-final tonight, **Julian Borger** reports on why the waving of the red and white banners is worrying human rights activists



Celebrations in Zagreb after Croatia beat Germany on Saturday — but in Bosnia ethnic Croatian fans attacked Muslims
PHOTOGRAPH: HERVÉ GRIG

Chequered past of Croatia's flag

THE fluttering of thousands of Croatia's red and white chequer-board banners will no doubt provide a stunning image at tonight's semi-final against France. But the mass display of patriotism is also likely to raise a shudder among many watching from the Balkans, who know the emblem's dark past all too well.

Patriotism has a seamy underside in most countries, but in Croatia it is very much on the surface. The colourful chequer-board, the *sahovnica*, has an especially troubled history, much of it in living memory.

When it was selected in 1991 as the national emblem of a newly independent Croatia, President Franjo Tudjman — a historian — was well aware of its resonance. It was the symbol of Croatia's only previous experiment as an independent state: the pro-Nazi wartime regime of Ante Pavelic and his fascist

Ustashe movement. It is true, as Croats wearily point out, that the history of the *sahovnica* stretches back long before Pavelic to Croatia's origins as a medieval fiefdom. But the modern state revived many other trappings of the Ustashe regime, such as the kuna currency and the national anthem.

Mr Tudjman has never tried to hide his far-right sympathies. He once remarked: "Thank God my wife is not a Jew or a Serb."

During his spell as a historian, between his careers as communist general and nationalist president, he wrote a revisionist account of the Ustashe years, playing down the number of Jewish and Serb victims of the Jasenovac death camp near Zagreb.

This would be less important if modern Croatia did not have an appalling human rights record. Serb and Muslim minorities have often been targets of thuggery, and human rights activists fear



the new football triumphalism could make matters worse.

Ivan Zvonimir Cicak, the head of the Zagreb branch of the Helsinki Committee on human rights said: "I'm a fan of the Croatian team, but I

don't like to see the kind of manifestations we had after the Germany game — a lot of flags and shouting."

In some places there was more than shouting. In Bosnia ethnic Croats went on the rampage after Saturday's quarter-final win, attacking the homes of their Muslim neighbours.

In Croatia some fans chanted the name of Dinko Sakic, the Ustashe deputy-commander of the Jasenovac camp who is about to go on trial for war crimes.

Mr Cicak is also worried the Tudjman regime will try to use the national team's glory to consolidate its grip on power, strengthened by convoluted electoral laws and continual harassment of the press.

A spokesman for the ruling nationalist Croatian Democratic Union (HDZ) recently threatened to call snap elections if Goran Ivanisevic won Wimbledon, while the Croatian team won the World

Cup. But the country's top tennis player has already faltered at the final hurdle, and in any case, Mr Cicak argues, "most of the Croatian people are not so foolish to confuse sport and politics".

Football has long been entwined with the Croatian national drama. Many football fans believe the war really started on May 13 1990, when Dinamo Zagreb supporters — "the Bad Blue Boys" — clashed bloodily with Red Star Belgrade's "Delije" thugs, led by Zeljko Raznjatovic, soon to become better known as Arkan, one of Serbia's most bloodthirsty warlords.

During that punch-up in Zagreb, in which 138 people were injured, Zvonimir Boban, the Croatian captain, became a nationalist icon by fighting back against the heavy-handed Serb-led police.

More recently football has reflected the beginnings of a popular backlash against Mr Tudjman's authoritarian

leanings. His whimsical decision to change the name of Zagreb's main club from Dinamo (too communist, he thought) to Croatia, using the Latin and English spelling rather than the local *Hrvat*, caused uproar.

"It's like renaming Arsenal Angletierre," commented one fan bitterly. Zagreb's "Bad Blue Boys" have not missed an opportunity to embarrass the president on the issue, hoisting their old Dinamo banners for the cameras covering the World Cup.

The cheek of the Zagreb fans gives some commentators hope that some good will come out of the flag-waving, as Croatia emerges as a sporting powerhouse — not just in football, but in tennis, basketball and handball.

Bruno Ogorlec, a media analyst, said: "We are a small country and like all small countries we have always had these inferiority complexes. I think all this success can alleviate some of the tensions."

1. Croatia invented the tie. Medieval Croat irregulars fighting for the French wore a piece of cloth knotted around their neck. The French adopted the fashion calling it the cravate, from Hrvat (Croatian for Croat).

2. The Croatian currency is called the kuna, meaning marten, a weasel-like creature whose fur was once widely bartered in the Balkans.

3. Dalmatian dogs were first bred for hunting in the Croatian coastal province of that name.

4. One of Europe's largest racist camps is at Koversada, near the town of Vrsar. Naturism started in Croatia, on the island of Rab in 1932.

5. Three famous non-sporting Croats: Marco Polo was born in the Croatian island of Korcula, although the Italians dispute that this alone makes him a Croat. The Dalmatian coast was colonised by the Venetians at the time. A sixteenth century Croat, Faust Vranic, invented the parachute. Croats also claim he made the first parachute jump over from a church tower in Dubrovnik. Tito was a Croat whose real name was Josip Broz. Most of his fellow countrymen have not yet forgiven him for creating socialist Yugoslavia.

News in brief

Pope urges flock to keep Sunday special

POPE JOHN PAUL yesterday appealed to the world's Roman Catholics to keep Sunday as a day of prayer and worship, *writes John Hooper*.

The pontiff also tried to tackle low attendance at Sunday mass in some countries.

At a press conference in the Vatican, one of his aides revealed that only 6-10 per cent of Latin Americans were believed to attend Sunday liturgy, in a region often said to be offsetting the drift from organised religion in western Europe and North America.

In Rome only 28 per cent of the people went to church on an average Sunday.

The Pope's 85-page discourse

said: "When Sunday loses its fundamental meaning and becomes merely part of a 'week-end', it can happen that people stay locked within a horizon so limited that they can no longer see the heavens." It urged Catholics "to avoid any confusion between the celebration of Sunday, which should truly be a way of keeping the Lord's Day holy, and the 'weekend', understood as a time of simple rest and relaxation".

US army general could face court martial on sex allegations

RETIREd general of the United States army could face prosecution for conducting affairs with the wives of four officers under his command, *writes Mark Tran in New York*.

Major General David Hale is also accused in a Pentagon report of using government money to pay for international travel by one of the women. The report by the Pentagon's inspector general, Eleanor Hill, concluded that Gen Hale engaged in "inappropriate behaviour" as a military officer.

Gen Hale, aged 58, retired in February with the

army's blessing even though a criminal complaint had been filed by a subordinate's wife while he was serving in Turkey.

In March the defence secretary, William Cohen, ordered a review of the case, including the decision to allow Gen Hale to retire quietly four months after taking over as deputy inspector general.

The army has been criticised for double standards in its response to the accusations. Critics say senior officers have been treated leniently in sex allegations.

Judge dismisses reporter's plan to fight child porn

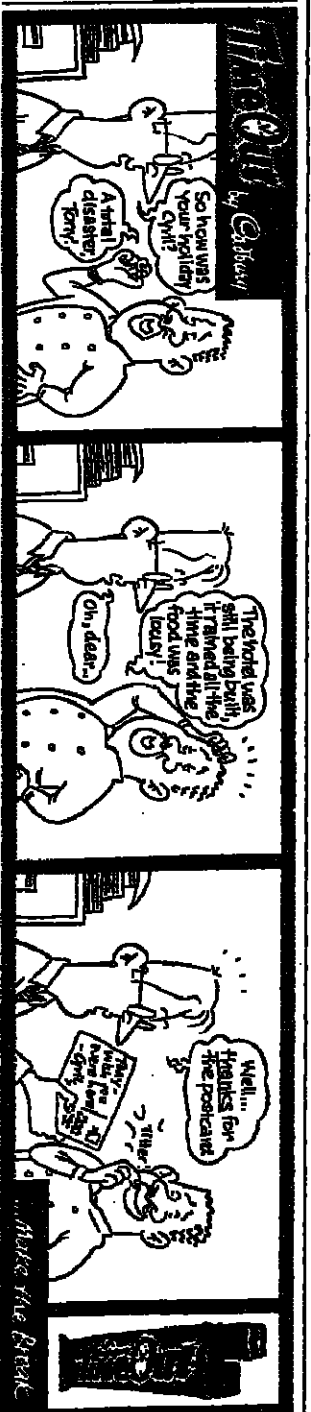
A JOURNALIST who said he downloaded child pornography from the Internet to write an exposé about how easy it was to obtain has been told by a judge that this is no defence, *writes Joanna Coles in New York*.

A press pass is not a licence to break the law, Judge Alexander Williams told Larry Matthews, a veteran freelance reporter for National Public Radio.

Matthews was caught in 1996 with images of under-age girls engaged in sexual acts with other children. He said the First Amendment guaranteed Americans the freedom to possess any information, however offensive it might be to others.

After being told this was an unacceptable defence, Matthews's lawyer, Michael Statham, confirmed on Monday that the reporter had decided to plead guilty to one count of receiving lewd images and one count of sending images. He would then appeal against the ruling that barred a First Amendment defence.

Matthews is to be sentenced on December 11.



CHANEL

Sale

SATURDAY 4TH JULY TO TUESDAY 14TH JULY
26 OLD BOND STREET 31 SLOANE STREET
LONDON W1 LONDON SW1

INTERNATIONAL DESIGNER ROOM, HARRODS
WEDNESDAY 8TH JULY TO WEDNESDAY 15TH JULY
All Ready to Wear and selected Accessories

3 reasons why today's the day to change.

1. We promise you'll save money on your phone bill. Or we'll give you back double the difference. As simple as that. Become a Cable & Wireless customer and we promise you'll save money compared to BT — even if you've got Friends & Family and their other discount schemes — or we'll give you back double the difference.*
2. You can chat as long as you like for just 50p. From now until the end of September 1998 all national calls made on Saturdays cost no more than 50p, however long you talk.**
3. One free call is all it takes. It's as simple as that.

FreeCall 0800 056 8778
What can we do for you?



CABLE & WIRELESS

* Price Promise terms and conditions apply. Please see our price list for full details. ** Local calls, international calls, calls to non-geographic numbers and calls made using the Cable & Wireless Calling Card do not qualify for this promotion. Offer ends 24th September 1998. 50p call offer and Price Promise are available to residential customers, subscribing to LocalCall, DayCall, LiteCall, SmartCall and SmartCall Plus. All information correct as at 1st July 1998 and applicable to residential customers only. Services available only at serviceable locations. Applications subject to status. For quality of service purposes we may occasionally monitor or record your telephone calls to Cable & Wireless Call Centres.



Diary

Matthew Norman

THE Diary would like to lead the applause for another sure-footed media appearance by Peter Mandelson, the widely respected minister without portfolio. Mr Mandelson was interviewed on Radio 4's *The World At One* yesterday, moments after Dolly Draper had ceased explaining why he did nothing wrong (just a slip of the tongue, Gov., straight up it was). Listeners rang the BBC in droves to say how much they admired his loyalty towards Dolly, a close personal friend of his for years, whom Mr Mandelson generously portrayed as a brawny, a fantasist and an infantile show-off. Also impressive was Mr Mandelson's seemingly unexpected tactic in painting the American reporter who broke the story in the *Observer* as a leftwing activist "with an axe to grind". We've never heard that one before. We particularly didn't hear it about the American woman who was rude about Mr Tony Blair after interviewing him for NBC during the election. So then, this is an end to the matter, and let's hear no more about it.

DOLLY fans in Eltham should rush to the Children's Society Charity Shop in the High Street, where a solitary, lonely-looking copy of his seminal work *Blair's 100 Days* is on show. The book is available for £1, reduced from £7.99. (Very nice, deadpan piece of discrediting. You see, you can do it. PM)

IN further good news for Mr Mandelson, he figures in a Tatler list of the 100 guests most often invited to society functions. Elton John comes top with 74.8 per cent of the parties, but Mr Tony Blair (10th) is the only politician to beat Mr Mandelson, who is 25th with 64.4 per cent. (I have asked Benjamin to fax you a line to the effect that, although highly flattered by my popularity, I attend very few of these functions due to my pressing Government and constituency duties. Please insert verbatim. Also mention the fact that Gordon Brown came in 1,798th place, with 0.00034 per cent. PM)

THE Diary would like to state (state categorically, PM) that there is no familial link whatever between Mr Mandelson and Jon Mandelson, a former Blair adviser who is now a partner in one of the lobbying firms involved in the row. Mr Mandelson's company held a party last week to celebrate New Labour's first year in power. Polly was there, as were Jonathan Powell, the Prime Minister's chief of staff, his special assistant Anji Hunter, and various other Downing Street dignitaries. Mr Mandelson was not present, but the *Times* reports that "two influential ministerial advisers attended: Ed Owen (who works for Jack Straw) and Oofy Weg-Fresser". (Now you're being naughty again. It says Benjamin, not Oofy. Correct this. PM)

BENEDICT Nightingale, theatre critic of that same *Times*, writes about the item concerning his positive review of Andrew Lloyd-Webber's *Whistle Down The Wind* in which he failed to mention that his son Christopher is the musical director. Mr Nightingale tells us that his first review of the show, written two years ago from Washington when Christopher was not involved, was also admiring, and wishes to "reassure your readers that my notice would not have been different by a word if my son had not been involved with it". (What the hell's this got to do with me? Don't waste my time. PM)

THE British Medical Association has been meeting in Cardiff. Yesterday, doctors issued a warning that the NHS drug bill could quadruple because of Viagra, according to Radio 5 Live reporter Sharon Allcock. (Do we really want this snuff? PM)



Apologies, a touch of smoke — and a counter-attack. It's the best way

Jonathan Freedland



IN the event of war: yield a little, attack the enemy and confuse the people. In the event of political crisis, apologise a bit, challenge your accuser and throw up a smoke-screen. That's what the spin playbooks say, and Labour's crisis-management of the cash-for-access affair has followed it to the letter.

First comes the touch of humility. Like old dance partners reunited for one more routine, Derek Draper and his early mentor Peter Mandelson were utterly in step yesterday — moving together to "plead guilty" to the charge that Derek was "brash and boastful" (Derek) and "a bit of a show-off" (Peter). It's such an artful move, pioneered by the master himself, Tony Blair, that he killed the Formula One affair the moment he went on television to apologise. The trick is not to admit the real charge, just the part of it you can live with. In the language of Love Story, New Labour has written a new rule: politics means having to say you're sorry — a little bit.

Next comes the counter-attack. This week that's meant an assault on the *Observer*, which accused Labour of the sleazy trade in cash-for-access. In a masterstroke, Alastair Campbell demanded that the paper release a tape of the key remark attributed to Downing Street aide Roger Liddle — the snatched moment at a cocktail party when Liddle allegedly promised to open the doors of the powerful for a man he presumed was a paying Draper client. In an instant, it was the *Observer* which was

on the defensive — facing an ultimatum from Downing Street which would expire at 11 am. (Why 11 am? Can Campbell have been unconsciously evoking the last, sordid occasion on which Number 10 lost that deadline? Like a latter-day Neville Chamberlain, Mr Campbell could tell the assembled lobby correspondents yesterday: "I have to tell you now that no such tape has been received and that, consequently, this country is at war with the *Observer*.")

The Campbell manoeuvre was inspired: it was bound to work. As Labour well knows, the *Observer* never once claimed there was a tape of the Liddle quotation. Other conversations had been taped, but not that one. By asking for proof they knew did not exist, the Government set up a neat little decoy. And, lamentably, most journalists covering the story fell for it. Not only did they spend the bulk of yesterday's news-cycle focussing on the *Observer's* credibility — rather than Labour sleaze — but when the tape that never was proved non-existent several pronounced the paper's claims to be "crumbling". More Downing Street briefing last night on the personal history of the *Observer's* reporter was designed to finish the job.

But it was the third stage in Labour's battle-plan which came easiest. When Derek Draper told the *World At One* he didn't know what he was meant to have done wrong or what rule he was supposed to have broken, he would have had many listeners nodding in agreement, if not sympathy.

For the entire row has been complicated, vague and obscure. Just as Bill Clinton benefited from the sheer complexity of the Whitewater affair, few Americans ever really knew what the president was accused of — so the fog of Westminster arcana enveloping the current controversy can only help the accused. But it's worth cutting through — and not solely to understand an episode which has been the subject of a full freedom of information request — that the trade exists at all.

The political class will dismiss such feelings as naive — arguing that lobbying is an essential service industry of a democracy — but I think the unease is legitimate. It does seem wrong that a charmed few are privy to knowledge denied the rest of us — knowledge that can only be obtained with the help of paid experts. Most of us do not want our national life to be like the law — the exclusive preserve of a select caste of initiates lucky enough to be "in the loop".

This is a flaw in the system, not the people who work it — but there is action we can take. First, we need to stop boarding so much power at the centre. The more power is spread out, the more points of access are created — beyond the 17 members of Draper's charmed circle. Second, we need transparency, a clear window on government aided by a full freedom of information law, allowing us to keep our own tabs on those we hire to run the country. If we make both these moves, we can start lobbying government ourselves. And we can do it for free.

it in private — for clients who pay rather more than 45p a day.

For all the caveats, many voters will heave in disgust at the thought of a coterie of young men growing fat on their proximity to power. And that's really what lies at the bottom of the current scandal: a nebulous, instinctive "yuk factor" at the entire business of lobbying. Our problem is not that the rules of the trade may have been broken, but that the trade exists at all.

The political class will dismiss such feelings as naive — arguing that lobbying is an essential service industry of a democracy — but I think the unease is legitimate. It does seem wrong that a charmed few are privy to knowledge denied the rest of us — knowledge that can only be obtained with the help of paid experts. Most of us do not want our national life to be like the law — the exclusive preserve of a select caste of initiates lucky enough to be "in the loop".

This is a flaw in the system, not the people who work it — but there is action we can take. First, we need to stop boarding so much power at the centre. The more power is spread out, the more points of access are created — beyond the 17 members of Draper's charmed circle. Second, we need transparency, a clear window on government aided by a full freedom of information law, allowing us to keep our own tabs on those we hire to run the country. If we make both these moves, we can start lobbying government ourselves. And we can do it for free.

It's not fair to pillory me for a few regrettable boasts. We lobbyists walk a fine line

I'm sorry — a little bit

Derek Draper

LA TE one Thursday I took a call from a representative of a major New York law firm, calling me on the advice of his sister, a high-level member of Clinton's White House staff. Or at least I thought I was. Greg Palast explained his associates needed "eyes and ears" in London. A real understanding of British politics and regulated industries was necessary. He floated the possibility of an £8,000 per month retainer, a hefty fee for any consultancy. I agreed to see him at his convenience and I wrote outlining what my firm GPC offers.

Over the next fortnight I met or spoke to Mr Palast five times. Once in the GPC offices and then at our annual reception, where among others, including the chairman of the energy select committee, Mr Palast met Roger Liddle. (Palast met Roger Liddle. 200 people were present.) The last time we met was for a "celebratory" drink. "You're my man," he said. We had a glass of champagne at the Reform

Club. "Let's leave politics aside," he urged, "and just get to know each other."

But after a while he began his by now tedious questioning, which I put down to him being an American new to the UK. "Who did I know?" "How well did I know them," etc. It was probably then that I finally made the brief statement: "There are 17 people who matter and I know them intimately." What I never said to Mr Palast (or indeed, ever, to anyone) is that these people are for sale. They are not. Despite the work I did with the most of them when I was Peter Mandelson's researcher I have never asked, let alone received, any inside information, government document or favour of any sort. I wouldn't ask, they wouldn't offer.

This, I repeatedly explained at length, I thought Palast was being obtuse: I now know he was endlessly pushing for damning quotes for his piece. The lengths I went to get across to Mr Palast how UK lobbying works would be clear if the *Observer* release their tapes, which I challenged them to do. The lengths that Mr Palast went to entrap

me into offering "access or secrets for cash" would be equally clear. He got nowhere. Otherwise that is what we would have been reading about in the *Observer*, not my ill-advised brashness. Although I do feel embarrassed by how I come across, being a bit of a loudmouth is no crime, especially, if, as my friends will testify, it's often done tongue in cheek.

But I do regret the embarrassment I have caused to myself and to the Labour Party, to which I have been committed since the age of 17. I especially regret the embarrassment I have caused to people within it whom I admire and whose integrity is beyond doubt to all those who know them. But I am still left wondering what I am accused of. Yesterday the *Sun* said that I

had been nailed by the *Observer* for offering advance copies of speeches and selling lunch at Downing Street. I never doubt either, and even Mr Palast with his selective quoting and embellishments didn't claim I had. I have felt in the last 24 hours that every real or imagined sin of the lobbying world was being heaped on my shoulders. But all I can do is try to disentangle things. Do lobbyists sell influence? No. But we do advise how a company can increase theirs. Usually this is humdrum stuff, drawing up a case, explaining political buzz words, identifying people who should be approached. "It's a fine line" I can hear Guardian readers cry. And you're right. But it is a line lobbyists tread every day. We do so pretty much in the public spotlight, with a ferocious investigative media and for major blue chip companies who wouldn't touch anything or anyone unethical. The *Observer* were right to test whether there was anything untoward in the world of New Labour lobbying but when they found so little they should have accepted that. To

instead build up a conversation with Roger Liddle that, as they presented it, never happened and a few regrettable boasts by me about who I knew was simply not fair.

I feel as if I have been on public trial for the last three days of my life and yet no one has explained the charges. Sadly for Mr Palast, the *Observer*, and ironically, for me, he didn't come up with a real story.

The worst thing, though, is the worry that I have let people down — people whose politics I share and have worked for since I joined — and fought — a Militant-invested Labour Party in Manchester in 1987. I have never found being ambitious and successful in contradiction with supporting the Labour Party. I've made a lot of friends along the way (and they've shown their mettle this week) but I also made a few enemies. Politics (indeed life) is like that. They must have been having a whale of a time this week. But whatever happens to my job as a lobbyist or as a columnist I will still be there, fighting for what I believe in.

Canker in No 10

Polly Toynbee



THE rash of lobbyists, special advisers and power-brokers surrounding this Government are only outward symptoms of the real disease. Curiously, comment so far has focused on the surface boils and not on the sickness within. Draper, Liddle and the rest are neither powerful nor important — the stuff of marginal gossip. But inside the heart of Government all this springs from one virus, and its name is Peter Mandelson.

Many hoped that when Tony Blair took office, he'd thank his old friend for all he did, reward him with some fitting job and disengage with his dark arts. Like Prince Hal, Blair should have cast aside the companions of opposition who no longer become the dignity of office. His Mephistopheles may yet prove his undoing.

It is a measure of the fear Mandelson instils that serious political writers rarely finger him directly or analyse this over-nightly courtier who corrupts and distorts, sows seeds of rancour and dispenses favours. Impudent diarists may tease, Rory Bremner mocks and "Mandy" is named in taken in vain. But heavy-weight criticism from those genuinely in the know is thin on the ground. Why? Because to fall out with Mandelson is a dangerous game. His wrath is mighty and permanent, his wit runs deep and wide, through much of the press and far into the establishment.

He is the model for this flattery of young men (very rarely women) of all parties who are the new political caste. Politics is their whole life, as they glide effortlessly from student union to think-tanks and internships at the US Congress, breathing nothing but the foetid political air. For them, politics are simply the tools of power. There is no right or wrong, no ideology, not even "what works" in the real world. For them all that works is the selling of messages that get power for themselves and their master of the day. (Some slyly quite naturally from party to party, noting out where power is.)

Opinion polls are their only reality, psephological calculators the only truth. The *Observer's* charges against this coterie are less ones of substance than of gross presumption. Policies have not been warped, no ministers suborned — only the tarnishing impression given that everything can be fixed. And the icon of this new world is Mandelson.

Why does Blair still keep him by his side? Because most Tories need at least one courtier on whom they depend utterly. Mandelson is trusted as he has no other source of power than his master, no base in party, cabinet or anywhere. He has no agenda, no policy other than to do his master's work and do it well. Campbell is the foghorn — Mandelson is the beloved.

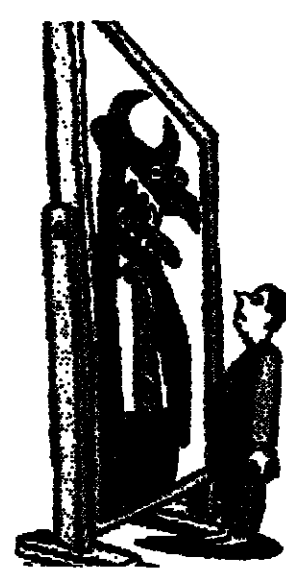
MANDELSON'S charm is dazzling, magical. When he smiles, the room smiles with him. He entrances children, mesmerises matrons and magnates alike. At a birthday party I watched him dance with inspired grace, lithe and mercurial, delighting all with his infectious pleasure. Tony Blair was there and Gordon Brown, but not John Smith, then leader. He was not Smith's man. Indeed there was much whispered sighing in the room that if only Blair were leader... He is a loved uncle in the Blair family. His flattering, witty, easy company is a blessing when the going gets tough. We might all like a Mandelson close at hand. So long as he was on our side.

As a foe he is lethal, vindictive, vituperative and petty.

While savage against enemies or the many he despises — he is quick to take umbrage. The jokes hurt and he snarls back. His public persona on television is surprisingly calamitous, unable to flash that charm on camera, displaying instead a defensive querulousness, oddly stiff, like an irritable camel. Replying to accusers yesterday, he hit back at *Observer* journalism — nit-picking, forensicly quite clever, but missing the big picture. Puffed up with his master's power, he has offended too many, including old friends. He makes enemies quite needlessly.

How much of the supposed Blair/Brown split is Mandelson's fault? Most of it, directly or indirectly. Where Mandelson goes, discord follows. He is viciously loathed by many Brownites, with good reason. To suffer the Mandelsonian sneer of contempt is quite enough to start a war. Had Blair put aside his old friend on entering Downing Street, he might now find relationships around him easier.

DOES the king know what harm is done in his name, the people always ask? It is part of Blair's Arthurian insouciance not to know. He is so certain of his own inviolability that he can sometimes surround himself with moral hazards, bad company and dangerous men, yet believe none of it touches his undoubted integrity. In the Ecclestone affair, he was more guilty of arrogant innocence than corruption. How could anyone dare think he would take such a decision on Formula One except on the basis of favour? And so he talks with Murdoch every week, meets him often, praises Sir David



English, prays with Paul Johnson — yet sees, hears and speaks no evil.

It is likely that the bad company Blair sometimes keeps comes from Mandelson connections. For Mandelson's social net spreads ever wider, delighting knavishly in company that wishes nothing but ill upon his party. So he walks out with Elisabeth Murdoch and is a close confidant of Carla Pirelli, even as she organised grand parties for Jimmy Goldsmith's election campaign. All kinds of high Tories and louche *haut monde* denizens beam fondly at the name of Peter. Even Camilla. How far all this is from Hartlepool. But then he is equally intimate with John Birt, and goes shopping with him.

Name anyone with power. Peter knows them. For any lobbyist, his address book on both sides of the Atlantic would be to die for. He is the most sought after man wherever there is power, money or social cachet. Why does he do it? What for? Is it just peacocking about, or is there political method in it? Maybe, maybe not.

One thing is certain, this social and political promiscuity does Blair harm. It beguiles Blair into thinking there is no difference between good and bad people, that consensus must include arch enemies. But wherever Mandelson goes, in good mood or in bad, he tends to damage Blair. There is decadence and danger here, an unspoken trading in borrowed prime ministerial power. Mandelson's little imitators who boast of touching his coat-tails are only grotesque parodies of their tutor. Cutting off these minions will not cut out the canker in the heart of Number 10.

مكتبة الامير

The Guardian

Wednesday July 8 1998
Edition Number 47223
119 Farringdon Road, London EC1R 3ER
Tel No: 0171-278 2332
Fax No: 0171-837 4530
E-mail: letters@guardian.co.uk
Website: http://www.guardian.co.uk

Turn off the access

Time to probe lobbying

WITH KING Billy's (disloyal) descendants massing in the fields round Drumcree, the Prime Minister had pressing things to do yesterday: his willingness to meet with Orange Order leaders is courageous and welcome. The maintenance of peace and order in Ulster is indeed a priority. But Tony Blair cannot be allowed to pretend, as he has before, that he is above the mêlée. The sooner he realises that the charge of peddling influence is not just another spin operation to be left to Alistair Campbell the better. The very identity of New Labour is at stake; suddenly its values look tarnished.

Yesterday the Government was spared the embarrassment of the House of Commons Standards and Privileges Committee deciding that Geoffrey Robinson had offended against the parliamentary code by not declaring all of his far-flung financial interests; that may come next week. It would be unfair not to suspend judgment. But in the meantime, it needs to be asked who it was appointed Mr Robinson without ensuring he was "squeaky clean" (if we may give that phrase a thorough dry-cleaning after it was soiled by the ever-bullying Gerald Kaufman)? Who is it who seems to believe that creating a climate in which British business prospers, creates jobs and makes profits entails a kind of free-for-all at Number 10, in which contributions to party coffers will turn the key in the lock? Who created such a damagingly ambiguous role for Peter Mandelson while condoning his peculiar style —

the quality of his judgment shown yesterday in his slightly ambivalent defence of the ubiquitous Derek Draper? The answer is the same Mr Blair who has largely dispensed with Cabinet government, and whose interest in challenging or cautionary advice from the Whitehall machine is strictly limited. His choice of friends is notoriously suspect. He cannot seem to see that a government with moral ambitions and aspirations to make Britain a fairer place, modern and better-governed, depend heavily on the qualities of those who surround him, run his errands, get through on his private line. To govern effectively, even with the limited social and economic ambitions of this administration, demands credibility. In recent days, the Blair administration has seen that credibility dashed.

Things are recoverable. The system's checks and balances kick in. The Tories get themselves a cause, and are able, for once, to mount an effective attack. If backbench Labour MPs have an ounce of self-respect they will crank up the select committees (Public Administration, Public Accounts) and investigate the lobbying phenomenon which caused so much trouble to the last Government and which now threatens this. That off-repeated Campbell line that no offences have been charged to ministers is worth savouring. Those with positive policies to conduct and public to persuade — John Prescott, David Blunkett among them — should start saying just how damaging to their effectiveness is this association of louches young men in and around SW1: the remedy is a better balanced Cabinet.

But the immediate prescription has to be a changed line for the choral ranks orchestrated by Mr Campbell. Mr Draper and the other hungry little worms may have been hatched from the chrysalis of New Labour. But they can be starved. If access is their

currency, bankrupt them. Let them live, or die, by the same rules which govern (rather well) the necessary dealings of civil servants and ministers with interest groups and their agents. If that requires Mr Blair to order a few months' self-denial by ministers and a few missed champagne receptions, is that really a high price for ensuring the Government's political priorities, especially peace in Ulster, are carried forward in more sanitary political conditions?

Don't raise rates

The economy is already slowing

THE BANK of England would be very ill-advised to raise interest rates yet again today as almost everyone seems to be expecting. There is growing evidence that the recession, already apparent in the manufacturing sector, is spreading swiftly to services. To kick the economy when it is already slowing down (as is the rest of Europe) could turn a cyclical slowdown into a full-blown recession. Interest rates have already been raised six times since Labour came to power. Since it takes up to two years before higher interest rates are fully effective, all Labour's increases have yet to impact fully on an economy that is already slowing down rapidly. If it takes so long before the effects are fully felt should the Bank not be thinking of a reduction rather than an increase now?

Members of the Bank's monetary committee must look more closely at the real world as well as their abstruse mathematical models. The fact is the danger of recession is now much greater than that of inflation. The Bank is concerned about the latest 5.2 per cent rise in earnings, but this has been so inflated by City bonuses, the rush to beat

the clampdown on profit-related pay, plus technical changes to the pay index, that it would be wiser to wait before concluding that the wage volcano has erupted. Figures for wage settlements (excluding bonuses and overtime) are much more modest. The rise in price inflation to 4.3 per cent has been inflated by mortgage costs (the result of raising interest rates), seasonal food prices and the effects of Labour's first two budgets (reduction of mortgage interest relief, higher petrol costs etc). Strip these away and the increase is only 2.5 per cent.

Nearly all of the "worrying" part of inflation has been the result of government policies to curb inflation or to raise money. If the Bank continues to raise interest rates then — because of the importance they still have in wage negotiations — it could create inflation that would not otherwise have happened. One of the problems is that the monetary committee — unlike its counterpart in the United States — has a brief to worry about inflation primarily and not the real economy. Such terms of reference were a mistake, as was the Government's decision not to curb consumer demand through higher taxes. This put too much of the burden of curbing consumption on interest rates. If the Bank thinks it is being placed in an impossible position it should say so loud and clear — while leaving interest rates unchanged.

Tsar of the street

Tackle causes, not symptoms

A FEW weeks ago, an irreverent rough sleeper was interviewed on the BBC Today programme about his problems. His biggest complaint was the number of voluntary soup kitchen teams who kept waking him

up on his doorstep. It was impossible to get a good night's sleep. Whimsical it might have been but it involved a useful lesson: even voluntary organisations need to co-ordinate their services. For statutory services this is even more vital. For far from being over-supplied with support services, the homeless face more holes in the welfare state than any other group. Yesterday's rough sleepers' package from the Government's social exclusion unit won high praise from the pressure groups — and rightly so. It set an ambitious target (a two-thirds reduction by the year 2002); recognised the problem was more deep-seated than merely a shortage of hostel places, drastic though those cuts have been; and not only called for better co-ordination but produced four ministers plus the Prime Minister all pledged to the cause.

A cynic might say this government is in danger of creating more tsars than a Russian royal family. First a drugs tsar, now a street tsar. But if a central lesson is better co-ordination, then strong co-ordinators are needed. The street tsar will concentrate on London, but six other cities will be expected to appoint local co-ordinators. The Prime Minister talked of reducing the number of rough sleepers to zero. That is a daunting task, but one every civilised nation should aspire to. The solution is not to sweep them off the streets through a new criminal law — an option which the report leaves open once hostel places have been increased — but to tackle the root causes: the poor support for children leaving care, patients discharged from mental hospitals, and inmates freed from prison. The Prime Minister noted that only one in 20 rough sleepers is doing so by choice. One-third have been in care, a half in prison and a majority have some form of addiction or mental problem. Prison is not a solution.

Letters to the Editor

Orange order makes hash of it

ORANGEMEN see the decision to route their Drumcree march as a defeat of their historic rights. Will they see a triumphalist march by the Catholic residents of the Garvaghy Road through a Protestant area as a reasonable celebration of the event? Ken Brockle, Saltburn, Cleveland.

IN THE wake of the recent Cannabiz legalisation debate, I propose that marijuana be legalised in Northern Ireland as a pilot for the rest of the UK. Hugh Gallagher, Brentwood, Essex.

DRUMCREE: Glastonbury for bigots? Jean Oulipo, Brighton.

RE Leo Baxendale's query (Letters, July 4): the Exploited, an early eighties' anarchist punk band from Edinburgh, had a song, Exploited Army, with the lines "We're the exploited Army don't try and mess". This chant was transferred from Exploited concerts to Scottish football grounds and thence to England. Sam McCartin, London.

JOHN Alley is wrong (Letters, July 6). I had to pay the £97.50 licence fee to watch five hours of the Test match. His mother had the option of the cricket, another BBC TV channel, or five excellent BBC radio channels. We have both had value for money. J Walker, Herne Bay, Kent.

THOSE of us who do not subscribe to Sky or watch ITV are forced to pay some of the costs (Leader, July 7). Adverts are paid for from the profits on the things we buy. Dave Stretch, Manchester.

The cost of Dollygate

DOLLYGATE has thrown much-needed light on the shadowy Progress magazine (People who know people, July 6). We now know it was founded by Peter Mandelson's confidant, Derek Draper which, of course, would be small change to a man on £250 an hour. But this is the magazine that was sold to party members as the successor to Labour Active, an in-house publication. It is sent unsolicited to party activists at home.

I often wondered how Draper seemed to get hold of membership lists despite the Data Protection Act. But this would be no problem for a man who is able to get advance notice of the Government's spending plans. Pete Williams, Labour Party branch secretary, London.

It appears New Labour is more than happy to sacrifice Mr Draper in the hope we don't look too closely at what his dragging has revealed. It is difficult to explain to people outside the party that the rise of New Labour has been a process of closing down democracy. Party members now have little or no say in policy, and selection of candidates is designed to exclude independent voices. We look on from the outside as a metro-

politan clique take over the democratic process. If this sounds familiar, it is. This is exactly the path that the Conservative government took. The 1997 general election result was in part a rejection of the sleazy politics of the eighties and nineties. If New Labour cannot prove that it is about clean government, it will not just be the career prospects of Mr Draper that are affected but people's belief in democratic government. Robert Smith, London.

THE New Labour government accuses your sister paper the Observer of "circulation building" as if it is automatic proof of perfidy. But I don't recall Mr Murdoch's Sun being lambasted for circulation-building when it switched support from the untenably unpopular Tories to support for Blair in the election. Nor were his editors "called to account" for the recent attack on Blair. What is this notion of "perfectly proper lobbying" — what has any kind of paid, inside-track influence got to do with democracy? Don Hoekins, London.

WHEN I was chair of Farnham Labour Party branch, Derek Draper told me

"there was no room in the Labour Party" for people like me because I suggested that we should retain something of Clause 4. I feel the time has come to return the compliment. Doesn't the Labour Party have a rule that anyone who joins the party into disrepute should be disciplined? We should be seen to be at least as quick at throwing out arrogant, self-serving enablers of the right who tarnish the image of our party as we were at expelling members of the hard left. Fiona Campbell, Minchinhampton, Glos.

YOU report that "the country is split over whether Britain is still a 'snobbish' society" (Britain really is cool, poll shows, July 7). Perhaps you answer that question yourself two pages later when you describe how Derek Draper has made "a long and ambitious slog from a modest house in unfashionable Cheshire". Geoffrey Wheatcroft, Bath, Somerset.

WAS 16 when I first met Derek Draper — he was behind the Labour stall at the Remembrance College societies' fair in 1986. Five minutes later I joined the Liberal Party. Chr Tim Farron, Leyland, Lancs.



How we ape our ancestors

RAYMOND Dart's theory of evolved human aggression may now be revealed as mistaken (Theory that war is in the genes is light of fancy, July 6). However, biology is not on the side of those who seek passivity in our origins. Our dentition is carnivorous, meant for tearing flesh. Also, new studies of our primate cousins, the chimpanzees, reveal them as weapon-wielding murderers, not the placid tea-drinkers of commercials. Scientists also believe that since many australopithecine skulls are smashed on the left side, ancient primates were right-handed. This supports the Clarke-Kubrick hypothesis in 2001 that human manual dexterity evolved from handling tools.

We should accept our genetic inheritance, then use our intelligence to realise that what may have been useful on the African savannah in the pleistocene, is now counter-productive. It once made sense to kill, now it makes sense to live in harmony. Peter Stockill, Middlesbrough.

AGGRESSION is an instinctive response to a perceived threat. But the intelligent animal learns to inhibit

aggressive impulses in the interests of self-preservation. So what our ancestors may have done is irrelevant. Our evolved intelligence allows us to recognise that malevolence is stupidly selfish and benevolence sensible selfishness. Simon Young, London.

NOT in Sun City but in Nairobi, Kenya, is the creature holding the key to why we differ so from gorillas (Scientists reject racial view of origins, July 6). Only the penguin shares our upright bipedal stance. This has long been recognised as supporting the aquatic ape theory, ie that we had an evolutionary phase paralleling that of sea mammals.

But why are our heads perched on top of our spines, unlike animals where the spine enters the back of the skull? Penguins tell all. They have been around for 45 million years, following their semi-aquatic, semi-terrestrial lifestyle. Perhaps as adaptations to rising sea and lake levels, we evolved specifically as a semi-aquatic, semi-terrestrial creatures — horizontal at sea, upright on land. Neil Denby, Sutton, Surrey.

On fathers' rights (and the purpose of knicker elastic)

DOLLY Toyne allows a few ambiguities through in her piece on fathers' rights (July 6). "Parental responsibility" as fathers' rights are called in law: parental responsibility is a legal concept which mothers have automatically, and anyone else (fathers included) can apply for, either from the mother or, if she does not agree, through the courts. When my daughter's father and I registered her birth (together, though unmarried) five years ago, no-body bothered to mention that he would have no legal responsibility for or to her if I fell under a bus.

"Mothers are appalled that a one-night-stand father might be tied to her forever". Again, so are some fathers appalled by some one-night-stand mothers. This could be an argument against one-night stands, or against not getting along with people whom you hardly know (hardly knowing each other can be a blessing in

these circumstances, as you have nothing to hate each other for yet). But most of all it is an argument against sex and nature, and therefore facile. Sorry parents, but you are tied together forever, however loose, uncomfortable or inconvenient those bonds might be. You have a child, and a child comes from, and has a right to two of you. Louisa Young, London.

So "women need stronger knicker elastic" do they, Mr President of Families Need Fathers (Letters, July 7)? Presumably to catapult you well away from their children. I've always suspected that Families Need Fathers were little more than a whingeing group of men deprived of their "sexual rights by marriage". Hardly in the interest of the child. Ella Clark, Brighton, East Sussex.



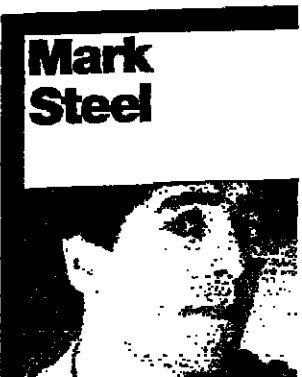
The Guide Dogs for the Blind Association needs adventurous people to join them on a trek in one of the world's most beautiful deserts. The Sinai expedition takes you along historic pilgrim routes, past bustling Bedouin camps, up to the summit of Mount Sinai. The journey ends with a morning of snorkelling in the magical coral reefs of the Red Sea.

Food, accommodation, flights and camels are included! A partner's package is also available. All you have to do is make a personal contribution of £260 towards the cost of your trip and raise a minimum of £2,000 sponsorship for Guide Dogs for the Blind.

There are two trek dates. Either 18 to 25 March or 25 March to 1 April 1999. Call us today for your free brochure.

0870 1290910
GUIDE DOGS. THE EYES OF THE BLIND.

Lobby fodder



NEW Labour should just admit that they made a promise before the election, but didn't have room for it in the manifesto. What was so as to avoid alienating Middle England. "We pledge that for the whole five-year term of Parliament, we will maintain the Tories' corruption levels." Then they could clear all this up, simply by saying:

"We made a commitment to the British people to be involved in scandals with shady businessmen on a regular basis and we intend to stick to it."

New Labour say the current scandal isn't about them, but about one lobbyist. But that lobbyist could operate because there's truth in his claim that in the Government "there are 17 people who count". Especially as amongst the 17 only six have been elected by anybody. And one, Roger Liddle, stood as an SDP candidate and didn't get in.

So when teachers are explaining the parliamentary system to their pupils, they should say: "We live in a democracy. Which means that to get to a position where you can run society you have to stand to be elected as an MP. Then you have to lose this election and be put in charge of Tony Blair's policy unit."

Lobbyists have only to find ways of influencing one of

these 17 people and they become worth paying. Which is why they do whatever is necessary to keep in with the 17. For example, Derek Draper, the lobbyist at the centre of the current scandal, says his column in the Daily Express was vetted each week by Peter Mandelson. Which must have made it the dullest column in any paper, full of thoughts like: "I felt as sick as the next man when David Beckham was sent off against Argentina. But then I cheered myself up by remembering that this week another two poles are being slotted into the Millennium Dome, which will make us as proud of Britain as any Michael Owen goal."

New Labour gets embroiled in these scandals because they believe their own rhetoric. They're convinced that they arrived in office not because of a massive mood for change, but through being spun into power by 17 people

who can play the media. Lobbying, and the scandals which come with it, fits their style, because to them opinion is swung by hangers, factions and whispers in private meetings.

Which is why it must puzzle them that a poll in yesterday's Guardian showed that 68 per cent of people still believe that Britain is a class-ridden society.

How do New Labour intend to solve that? Maybe the 68 per cent will all get a visit from a spin doctor who'll tell us: "Listen, I've had a word with Jack Straw and he assures me it's a thing of the past."

IN FACT the poll could show little else, as the realities of class society are so obvious. For example, that the arrogant Draper can boast about "stuffing his bank account at £250 an hour", while working closely with a government which

asked workers to be grateful for £3 an hour.

This was the problem with the campaign for the minimum wage. It wasn't ambitious enough. Instead of politely asking for £4.30 an hour, the unions should have said: "Look Blair, our security guards and office cleaners don't get out of bed for less than £250 an hour. Either they stuff their pockets with 10K a week or it's no deal, grinning boy."

And he'd probably have said: "Ah, now this is a language I understand."

The insiders who make New Labour's decisions are proud to be guided not by principles or ideas, which makes them susceptible to being persuaded by anyone who turns up for a private meeting to lobby their own cause. Lobbying is by its nature corrupt, as it is only available to the rich. In return for influence, lobbyists can offer prestige, money, and

Kay Thompson

The height of style

IF YOU appreciate high style you owe Kay Thompson, who has died aged 85, a snappy farewell salute. Yes, you do remember her, in the 1957 movie musical *Funny Face*, wittily belated as magazine editor Maggie Prescott dictating the definitive fashion statement: "Take a letter to the women of America: banish the black, bury the blue, burn the beige... Think pink!"

Thompson would have hated to be the blend of Diana Vreeland of Vogue with a touch of Carmel Snow of Harpers she created for *Funny Face*. She was as chic and certain as both, but she had done perhaps even more than they had to influence style. She had inspired Judy Garland and Lena Horne (who called her the best vocal coach in the world), transformed cabaret, and as any American will tell you, let loose that extremely famous child Eloise. When Thompson was an elderly recluse in a wheelchair in her god-daughter Lisa Minnelli's New York apartment, Vanity Fair profiled her. The homage ran at a reverential length previously only accorded to Jackie Kennedy Onassis.

She was born in St. Louis, was a young head singer in Los Angeles; her arrangements for her radio group, the Rhythm Singers on CBS, made 'em red-hot. Her attempt to conquer Broadway failed when show impresario Lee Shubert hired her less. (Much he knew.) The

break came in 1944 when her former pianist, composer Hugh Martin, was called up in the second world war. He had been at MGM with the unit set up by Arthur Freed, which upgraded the movie musical into the great pop art form of the 1940s and early 1950s. Martin told producer Roger Edens that Thompson would do everything he did but better.

Boy, did she. Visually, she outlined her bold personal elegance all over the Freed outfit. She seems to have originated the fashion for pronouncing 'BO-O-O-R-ing' on descending notes, the way we all do now.

Until, as ever, she grew bored, and worked up one of her voices, a miniature adult — "I am Eloise, I am six" — into a book. Thompson was introduced to a young artist, Hilary Knight, who instinctively knew how this brat should look — no curls, teeny mouth — and they had a ball collaborating. Girls were sweet in the 1950s. Eloise was as sharp as Lewis Carroll's Alice, albeit an Alice with a checking account who lived alone at the Plaza Hotel and behaved like an imperious dowager. The book went into a second printing the day after publication, and *Eloise* was a best-seller in 1955 (and is by now a million-seller). There were dolls and clothes, and a phone at the Plaza on which you could hear Thompson's snitty little Eloise voice.

Thompson worked on the book's sequel, *Eloise in Paris*, while on location there for Stanley Donen's *Funny Face*. It must have been her best time: she was big, despite the flop of a TV special based on *Eloise*. Her movie role was wonderfully worldly-wise (at least two real editors have based themselves on childhood memories of Miss Prescott and Quality Magazine); her second Eloise book was as acute as the first. The publishers then sent her off to

doped-up Garland, dismissing the era later with a drawled, dry "Drugawdies".

When she died Freed in 1947, she took Andy Williams and his three singing brothers under the wire with her to work the cabaret "room beat". Thompson outmoded girl singers crooning to a mighty microphone on the edge of the dance-floor. She dangled mikes above to pick up herself and the boys, who were very much more than backing in her mini-Broadway-productions. The act commanded \$15,000 a week in the dreg years of New York's cafe society — the talk of the town.

At which point, Thompson, quoting Eloise — "Getting bored is not allowed" — avoided success all over again. She fell out with bitter permanence with Knight over a never-completed fifth volume, and withdrew all but the first from circulation. Then she withdrew to exile in Rome in 1962, in a zany-slinky *superfaticca*, zebra skin rugs beneath the chandeliers. She said no to parts in *Auntie Mame* and *The Pink Panther* and from her final hiding-place in that NY apartment she also said no to memoir and film offers — that is, when she cared to say anything at all.



Americans in Paris... Kay Thompson with Fred Astaire and Audrey Hepburn in a scene from *Funny Face*

Thompson seems to have originated the fashion of pronouncing the word "BO-O-O-R-ing" on descending notes, the way we all do now. The word was less criticism of others than self-censorship: she edited her life away.

She was married to musician Jack Jenney; then CBS radio producer Bill Spier, whom she also divorced. She was Roger Edens's soulmate — but he was inescapably

hitched and so their energy lit up the improvisations they devised for each other, which influenced MGM musicals. Andy Williams says she wasn't in love with him; everybody else swears she was crazy for Andy.

Veronica Horwell
Kay Thompson (Kitty Fink), stylist, born November 8, 1912; died July 2, 1998

George Lloyd

Indian summer of ebullient symphonies

THE most amiable of composers, George Lloyd, who has died at the age of 85, had the most erratic of careers. Recognised early, with major works performed when he was barely in his twenties, he had his success shattered by the second world war. Service in the Royal Marines, when the ship on which he was serving was sunk, brought on a serious mental and physical breakdown, from which he recovered only slowly.

His postwar career was further dogged by changes in musical fashion, which meant that music so unashamedly conservative as his was completely neglected. For some years he gave up serious composition, earning his living as a market-gardener. That was until, with his health slowly restored, he increasingly came to be recognised in his last Indian summer period, not only did he continue writing new music, notably large-scale choral pieces as well as

symphonies, he had many works both performed and recorded, in fair measure thanks to wide appreciation in the United States.

He himself never seemed to bear any resentment for the long years of neglect. He was grateful that belated appreciation had set him off composing with renewed energy. Only three weeks ago he completed a requiem, which he was composing at the time last year when he suffered heart trouble.

Though the idiom of his music was totally traditional, consistently tonal and lyrical in a late romantic way, it was only rarely imitative. Lloyd may not have been a great original, but — apart from an occasional echo of Elgar, his favourite British composer — his music had its own distinctive flavour, hardly at all eclectic. Even so, Lloyd's melodies rarely stick in the mind, but with colourful, often unexpected orchestration his music is almost unfailingly

agreeable and undemanding, boldly defying the understandable criticisms of those looking for contemporary originality.

The wonder is that his musical style remained consistent over the 66 years of his active composing career. When in 1930 his *First Symphony* — written in 1932 when he was only 19 — was recorded along with his last, No. 12, both their idiom and even their structure revealed striking similarities. Not that he ever ran out of energy in his last years, for his music to the end reflected his ebullient, optimistic character, more often vigorous rather than reflective.

Lloyd was born in Cornwall, and thanks to encouragement from his musical father he turned early to composition, studying with Harry Farjeon. A bout of rheumatic fever interrupted his conventional schooling, but meant that he concentrated even more on his musical studies — also with Albert Sammons for violin.

In 1933 his *First Symphony* was performed by the Bourne Mouth Symphony Orchestra, thanks to the advocacy of the music director, Sir Dan Godfrey. That in turn prompted Lloyd to write a second and a third as well as a first opera, *Jernin*. Performed in Penzance in 1934, *Jernin* was heard while holidaying there by the Times music critic, Frank Howes, who gave it an enthusiastic notice. That led to a performance in London attended by many leading musical figures including Vaughan Williams. A second opera, *The Serf*, was also performed at that time, conducted by Albert Coates at Covent Garden.

In the second world war Lloyd became a bandsman in the Royal Marines, doubling the role with that of gunner. In 1943 on an Arctic convoy his ship was torpedoed and severe shell-shock brought on his complete collapse. He had

already married in 1937, and his Swiss-born wife, Nancy, nursed him gradually back to health, encouraging him to turn to music again, with the fourth and fifth symphonies finally ridding him of the trauma of his wartime experiences.

Another severe setback came when the opera commission from him for the Festival of Britain, *John Sweeney*, was — like Berthold Goldschmidt's *Beatrice Cenci*, another commission — completely ignored, with a promised performance cancelled.

That discouragement led in 1952 to his abandoning composition for market-gardening, in turn cultivating specialist crops, mushrooms and carnations. He continued to write fitfully, sending off

scores to the BBC, which were regularly rejected.

In the 1960s the prize-winning pianist, John Ogdon, a composer himself, was among those who championed Lloyd's work, inspiring from him the first of his four piano concertos. In the 1970s appreciation grew further, leading in 1981 to three of his symphonies being recorded, the year when the BBC relented, and his *Sixth Symphony* was given at the Proms.

Meanwhile performances, and after a while recordings too, were being promoted in the US with the Albany Symphony Orchestra, often conducted by Lloyd himself. As well as completing 12 symphonies, he composed in his later years a number of choral works that in structure as well as scale mirror his sym-

phonies. So in 1993, commissioned by the Brighton Festival, he conducted the first performance of his *Symphonic Mass*, and in 1996, to a text of John Donne, *A Litany* similarly has a symphonic layout of movements. It is characteristic of Lloyd, with his open, convivial temperament, that his descriptions and annotations on his own music, so far from being inflated or pompous, are endearingly down-to-earth. As he said of his *Symphonic Mass*, "Although I no longer attend any church, I am very much a believer".

He is survived by his wife Nancy. He had no children.

Edward Greenfield

George Walter Selwyn Lloyd, composer, born June 28, 1913; died July 3, 1998



George Lloyd... no resentment for the years of neglect

PHOTOGRAPH: KENNETH SAUNDERS

Tony de Vit

DJ of club culture

TONY de Vit, who has died aged 40, was among that handful of disc jockeys who have emerged in the 1990s as bigger celebrities than most of the musicians whose records they play. In the world of dance music, paradoxically, the better-known recording artists will often have first made their names as DJs.

Thus it was with de Vit, who had chart hits with *Burning Up* and *To the Limit*. DJ magazine, in a survey of the world's top DJs, ranked him fifth. More to the point, he was hugely popular.

For de Vit, who spent more than 20 years as a DJ, making records was a sideline. Born in Kidderminster in 1957, in his teens he became a devotee of American funk, particularly the P-Funk created by George Clinton and his Parliament/Funkadelic axis. At 18 he persuaded a local pub to allow him to put on a club night.

There he displayed the instincts that would later be the making of him when Britain's club culture began to boom. For years, he worked as a stock controller and computer programmer, which may explain his reputation on the club scene for professionalism and hard graft rather than as a prima donna.

In the early 1990s his career took off on the gay circuit. The turning point came when he sent a tape to Laurence, the promoter of Trade, then an underground gay night at London's Turnmills Club. Trade operated what many saw as a bizarre policy of beginning in the small hours of Sunday morning and playing through to lunchtime.

Malice was looking to change the dark, heavy and sombre tone of the club's house music. De Vit's dynamic style did exactly that. Through his residency he became synonymous with

the club, playing marathon 12-hour sets and as it grew into first a national and then an international brand name, de Vit both propelled and rose with the club. His services as a remixer were in constant demand, and he reworked singles by Louise, East 17, Michelle Gayle and many others, as well as running two record labels, Jump Wax and TVT.

The hard house style which he helped pioneer became Britain's mainstream-club sound — fast, anthemic,



De Vit... pioneer of hard house style

uplifting. The music he played would be given labels like nu-energy, but essentially he remained a house DJ, never slackening his work rate, guesting at major clubs across Britain and around the world.

It was on just such a visit to Miami that he fell ill after a bout of food poisoning and was diagnosed with exhaustion. Although he was HIV-positive, he had appeared to be on the mend, but he proved to be suffering from bronchial pneumonia, aggravated by bone-marrow failure. He died at Birmingham's Hartland Hospital, with his partner and assistant Andrew Bird at his side.

David Bennun

Tony de Vit, DJ, producer and remixer, born September 12, 1957; died July 2, 1998

The Guardian Travel Shop

Sorrento

7 nights for only £399 per person

Departures on 12 and 19 September '98



An area of incredible natural beauty, the spectacular scenery of the Neapolitan Riviera bathed in brilliant sunshine on a clear winter day. The nearby attractions of the breathtaking Amalfi Coast, the Isle of Capri, Pompeii, Vesuvius and the beautiful landscapes will make your holiday truly unforgettable.

Your price includes:

- Seven nights bed and breakfast accommodation in a 4 star central hotel, based on 2 people sharing a twin room
- Return flights from Gatwick to Naples
- Return transfers from airport to hotel 1 1/2 hours approximately

For an information leaflet, complete and return coupon below or call Impulse Holidays on 0950 168541 quoting ref. TG13/7/98

To Book Call
0181 741 9007
227 Shepherdess Bush Road, London, W8 7TS

Please send me full details of the following Impulse Travel Offer:
☐ Sorrento (TG13/7/98)
How many nights a week do you say The Guardian? 1 how many times a month do you say The Guardian?
☐ Please tick this box if you do NOT wish to receive details of other offers from The Guardian or other companies sponsored by The Guardian.

Name _____
Address _____
Postcode _____

CORRECTIONS AND CLARIFICATIONS

THERE were several mistakes in our article on the Jumbo Jet, creativity at work. Pages 2 and 3, Jobs & Money, June 13. We spoke of "this week's launch of the Institute of Patents and Inventions". The Institute was launched shortly after the end of the first world war. The event which we reported was to mark the merger of the Intellectual Property Development Confederation and to introduce Howard Staibford as the president of the enlarged IPI.

The sciences, energy and industry minister, John Battle, contrary to our report, was not at the meeting. The remarks attributed to him came from his department's press office. Our reporter did not speak to him.

IN A report on Page 5 yesterday, headed Aherne takes overdose, we said that Matthew Bowers, the former boy-

friend of Caroline Aherne, died of stomach cancer, thereby repeating an error which has already been the subject of a correction. Mr Bowers died from a rare cancer of the small intestine (neuroendocrine carcinoma).

THE MAIN photographs on Pages 8 and 9, Sport, July 6, were wrongly captioned. The picture on Page 8 showed Sean Kelly, and the one on Page 9, showed Stephen Roche. We had them the wrong way round. Sorry.

It is the policy of the Guardian to correct errors as soon as possible. Please quote date and page number. Readers may contact the office of the Readers' Editor by telephoning 0171 239 5289 between 10am and 5pm, Monday to Friday. Surveys sent to Readers' Editor: The Guardian, 119, Farringdon Road, London EC1R 3ER. Fax: 0171 239 9997. E-mail: reader@guardian.co.uk

Birthdays

Judy Allen, children's writer, 67; Jon Bannenberg, yacht designer, 68; Dr Kate Bertram, former president, Lucy Cavendish College, Cambridge, 88; Sir Robin Biggam, chairman, Independent Television Commission, 60; Alan Campbell, Labour MP, 41; Prof Martin Carter, archaeologist and broadcaster, 57; Ben Chapman, Labour MP, 58; June Dixon-Millar, director, National Centre for Cued Speech for the Deaf, 63; Leslie East, music publisher, 48; Keith Fielding, rugby player, 48; Lord (Jan) Gilmour, former Conservative minister, 72; Bruce Gyngell, TV mogul, 68; Dr Peter Knight, vice-chancellor, University of Central England in Birmingham, 51; Steve Lawrence, singer, 63; Pauline Quirke, actress, 38; Chris Rix, Labour MP, 40; Sir Roy Shaw, writer and critic, 80; Russell Taylor (Alex), cartoonist, 38; Brian Walden, broadcaster, 66.

A Country Diary

BRECKLAND: Half an hour after sunset, the ranks of plantation pines in Kings Forest were beginning to form castellated silhouettes against the first clear evening sky for weeks. Feeling absurdly confident we simply drove off the road at the first clear fell we glimpsed and parked. We heard a nightjar before we had even reached open ground, a muffled wooden rattle hundreds of yards away but still enough to raise gooseflesh on our arms. The clear-fell, when we reached it, proved to be about 10 acres in extent, half replanted a year or two ago, and half still covered with bulldozed roots and shattered branchwood. It had ground cover, bare earth and song perches — all the things breeding nightjars need, and the reason the population in these Breckland plantations clearings is now denser than anywhere else in Britain. We waited, and the bird began churring again, much closer. It was a vibrant rattling, with

the rhythm of a machine but ancient, Panik depths. The light was draining now, and we couldn't make out its low flits from perch to perch, though we heard its wing-claps and clipped flight call. The ancestral dreams of a parched heathland dusk unfolded as we strained our eyes through the half-light. A roving woodcock, a winged log levitated into the sky, croaked overhead. Noctule bats hawked the waking moths. Among the unfilled trees a roe deer called, a gust of summer-night breath, more husky sigh than bark. Then, out of nowhere, the arching wings of a nightjar glanced past us, broke the skyline briefly and were lost again. I pondered the serendipity of these places, where the Forestry Commission has created echoes of prehistoric Breckland, when settlers hacked out clearings, grew a few crops and moved on, leaving the land to crypt, purring fern owls.

RICHARD MABEY

Death Notices

POLLARD, Ian David, BBC Television Series Producer, "Watchdog", aged 55, died suddenly on 1st July in Ireland following an accident while on duty. Ian's funeral will take place at Stockport Crematorium followed by a reception at Alma Lodge Hotel, Poynton, Cheshire. Tel: 01625 6514. No flowers, donations to a charity of your choice.

WHITEHEAD CARMELLA, Christina, died on July 6 in Great House, Oxford, after a lengthy fight against liver cancer. The sadness and loss left by Anna and Frances, are shared by all the many people who knew and loved her. The funeral to celebrate Christina's life will be on Monday 13th July at 1.45 pm at St Mary the Virgin, Witley, followed by a private reception at the Sobell House, Chichester. Donations to the Sobell House Cancer Fund, and to Macmillan Cancer Relief are encouraged — both c/o Co-Operative Funeral Service, 2 Haverhill Street, Oxford.

BTG place your advertisement between 0171 713 4567 and 0171 713 4707 (between 9am and 5pm Mon-Fri).

مكتبة الصالح

Executive Financial Editor: Ben Clissitt
Financial Editor: Alex Brummer
Telephone: 0171-239-9610
Fax: 0171-833-4456

FinanceGuardian

Liddell threat to advisers

Rupert Jones

THE Government yesterday threatened to shut down the £20 billion independent financial advice industry if it does not speed compensation payments to victims of pensions mis-selling.

In an unprecedented attack, Treasury economic secretary Helen Liddell said the future of the sector had been called into question after its pitiful progress in clearing up the multi-billion pound scandal.

She also warned the public to be "very careful" when using one of Britain's more than 20,000 independent financial advisers.

"If the IFA sector fails to put its house in order... it will not only call into question the viability but possibly the desirability of the current industry structure," said the minister, after summoning industry representatives for a dressing-down.

Mrs Liddell's broadside represents the toughest action so far in a campaign by the Government and regulators to ensure justice for the up to 2.4 million people mis-sold a pension between 1989 and 1994.

Recent figures show that while many of the 41 worst-offending companies have now resolved 80 per cent of their cases, several leading independent financial advisers have cleared up less than 50 per cent.

At the bottom of the table is DBS Management, Britain's

IFAs that could be shut down



DBS Management
□ Britain's largest network of independent financial advisers, with 1,800 firms and 2,800 advisers; based in Huddersfield.
□ Turnover about £140 million.
November 1997 announced slump in first-half profits from £2.7 million to £478,000. Had devoted £4.5 million to mis-selling review.
□ In September fined £425,000 by the PIA for failures linked to mis-selling.

Countrywide Independent
□ Britain's second largest network with 1,500 advisers and about 900 firms; based in Witney, Oxfordshire.
□ Fined £250,000 in February 1998 in connection with the mis-selling scandal. Had failed to properly identify which cases should be reviewed and did not check accuracy of information provided by members, said the PIA.

Financial Options
□ Described as third largest IFA network, with 270 member firms and 550 registered advisers; based in Seilford.
□ Turnover for 1997: £26.5 million.
□ Fined for poor handling of the mis-selling clear-up; £250,000 penalty shared between two subsidiaries, Financial Options and Investment Options. It did not devote enough resources to carrying out mis-selling review.

largest IFA network, which has completed 27 per cent of its case load and paid compensation to only 124 people.

Mrs Liddell said that her patience was exhausted by the lack of progress, and by the fact that many IFAs "have chosen to blame everyone except themselves".

IFAs make much of their impartiality, but the reality was that all too often the customer is neglected, she added.

"In my opinion, people

should think long and hard before using an IFA," Mrs Liddell said.

"My recommendation to anyone thinking of taking advice is to check out the IFA thoroughly."

Among those summoned to Whitehall were DBS, Countrywide Independent and Financial Options, the three largest IFA networks, which between them have almost 5,000 individual advisers located across the country.

Around 53 per cent of all financial products except mortgages and investment trusts are sold through IFAs. Mrs Liddell did not spell out what action could be taken to restructure the industry, although the most likely option would be to end the system of "polarisation" which splits advisers selling products such as life insurance and unit trusts into two camps.

They must either give completely independent advice,

choosing products from all those on the market, or act as representatives selling just one company's products.

This system has been in place since 1988, and with the Government engaged in financial services regulation reforms, it has the chance to make sweeping changes.

But industry body IFA Promotion said that scrapping polarisation would be a retrograde step, and would "take us back 10 years".

Prior to the current regime, "effectively anyone could sell anything," said Ann-Marie Martyn, IFA Promotion chief executive.

Without an IFA sector, the public would be a lot worse off, said David Stewart, group managing director of DBS. The majority of mis-selling cases were through salesmen working directly for an insurance company where there was no element of independent advice.

The IFA Association, the major trade body, said it was "furious at the way perfectly honest businessmen are being paraded in this way".

Notebook

Who next for the grand alliance?



Alex Brummer

THE STRATEGIC alliance between the London Stock Exchange and Deutsche Börse is a signal event for both the City and the European project. Until now the impression has been that London and Frankfurt have been in a fight to the finish to establish hegemony as Europe's financial centre.

There has also been an assumption, particularly among the Eurosaxon fraternity, that London could prosper more as an off-shore financial centre — away from the heavy hand of the European Union and Commission — than as part of the core.

The Stock Exchange under the direction of its chief executive Gavin Casey has sensibly recognised that going it alone was never a realistic strategy: the futures market

the pound remains uncomfortably strong, is Rover — the BMW-owned car company. Whenever ownership is switched overseas there is always the risk that the new proprietor will grow cool about its investment.

BMW always intended to use the UK, where Rover has just under 10 per cent of the car market, as a supply point for Europe, using a skilled and flexible labour force — and lower rates than on the Continent — to take on the competition. That ambition appears to be in place and, as yet, BMW which thinks long-term, is not cutting jobs, production or future investment here.

Sensibly, it is considering buying in components from Europe and further overseas, to keep down the cost-base of the goods. BMW's provide for Anglo-Saxon capitalism has been somewhat dampened, no doubt, by the battle for Rolls-Royce Motors, where its "exclusive" deal was overturned and German mass-market rival VW was allowed in as an over-bidder.

The timing of the Rover demerger on components and the warning over the pound comes ahead of this week's meeting of the Bank of England's Monetary Policy Committee. The MPC's job is meeting the inflation target, but it has shown sensitivity to the real economy and that may be more necessary now than at any point since it began operations just over a year ago.

The MPC's job is meeting the inflation target, but it has shown sensitivity to the real economy and that may be more necessary now than at any point since it began operations just over a year ago.

Worldwide goals

AMONG the most telling criticisms of the BBC in recent times has been the lack of transparency in the accounts, which has made it virtually impossible to track how its investment in commercial activities is being funded, the worth of these businesses and their returns. Such clarity is deemed as necessary at a time when it is planning to invest heavily in new commercial and digital services and to exploit aggressively the BBC brand.

It is understood that when the BBC's new annual report emerges next week, with plans to invest up to £1 billion in extending the corporation's activities, the accounts of BBC Worldwide will be broken out as a separate document for the first time, giving an impression of what is going on commercially, aside from the mainstream activities that are funded by the licence fee.

The new clarity has to be welcomed and welcomed, a strong riposte to those who believe that taxpayers' funds are being squandered or that the BBC, as a subsidised broadcaster, is competing unfairly in global markets.

It will also allow investors curious investment bankers scrambling to see what value can be put on BBC Worldwide and whether it is a suitable candidate for the new public-private partnerships.

Rover switch

ONE manufacturer clearly less than enamoured with the UK's status outside EMU, where

GEC poaches from rival BAE

David Gow
Industrial Editor

GEC yesterday celebrated a coup by poaching Mike Donovan, a senior executive at its arch-rival, British Aerospace.

Mr Donovan, 45, has resigned only weeks after being appointed group managing director of BAE's growing defence business, which is competing with GEC to win a £1.5 billion Army contract.

Both companies confirmed Mr Donovan's move last night but GEC refused to comment on his new job. Sources at BAE said there was nothing sinister in his departure.

Mr Donovan, who has previously worked closely with

Lord Simpson, GEC's managing director, was in charge of several key BAE divisions, including joint ventures with France's Sema in naval systems and Matra in missiles as well as the wholly-owned Royal Ordnance and recently-acquired Siemens Plessey in defence electronics. He also led BAE's Sikra International, a joint venture with US defence manufacturer Lockheed Martin, which is bidding to develop the new tactical reconnaissance armoured vehicle Tracer for both the UK and US armies.

The Sikra consortium, which includes the British defence manufacturers Vickers and Alvis, is pitted against a rival Lancer team headed by GEC which embraces GKN and two American firms.

TOURIST RATES — BANK SELLS			
Australia 2.588	Germany 2.586	Malaysia 6.52	Singapore 2.74
Austria 20.34	Greece 484.48	Malta 0.891	South Africa 10.08
Belgium 38.54	Hong Kong 12.33	Netherlands 3.244	Spain 240.62
Canada 5.34	India 59.54	New Zealand 3.10	Sweden 13.00
Cyprus 0.846	Ireland 1.731	Norway 12.31	Switzerland 2.432
Denmark 11.09	Israel 0.54	Portugal 255.18	Turkey 423.250
Finland 5.572	Italy 2.557	Saudi Arabia 6.04	
France 8.578			

Virgin takes reins at Our Price

Roger Cowe

CONTROL of the music retail business, Virgin Our Price, yesterday passed to the Virgin Group, which agreed to pay WH Smith £145 million for its 75 per cent share.

The deal brings the Virgin retail formats together in chairman Richard Branson's empire for the first time and completes the disposal programme begun by WH Smith last year.

He said: "The prospects of Virgin's retail and cinema-brands working together is particularly exciting."

The Virgin Megastores in Japan continue as part of a joint venture, but Virgin bought out its other music store partners last autumn.

Simon Burke, chief executive of Virgin Entertainment Group, said the retail operations, including the part-owned Virgin cinema chain, were the most visible face of Virgin for most consumers.

"More people come through our doors than fly the planes, take the trains or buy the Peps," he said.

He will split the Virgin Our Price operation, which had been created after WH Smith's acquisition of a half-share in the UK Megastores in 1992.

Virgin will operate the 229 Our Price stores as a separate chain with its own management, independent of the 88-strong Virgin network.

Mr Burke, who ran the combined chains for WH Smith until last year, said combining the two chains had saved money but damaged the business. "There were cost benefits but Our Price lost some degree of focus," he said. "It has been a fairly static business for six or seven years."

Virgin had retained a quarter of the shares after selling a half-share to its UK Megastore network to WH Smith in 1992.

WH Smith has been restructuring since the abortive takeover move by Tim Waterstone last year.

Crumbling currencies



An Indonesian woman is helped after fainting in the long queue for cooking oil, an increasingly expensive staple in Jakarta. PHOTOGRAPH BY AP/WIDEWORLD

IMF acts to head off Russian devaluation

Charlotte Denny

PROMISES of a fresh cash injection from the International Monetary Fund failed to quieten nerves in Russia yesterday as investors dumped shares and government bonds.

The Russian government said that negotiations with the IMF for an emergency loan of \$15 billion (about \$3 billion) to shore up the crumbling rouble should be completed by the end of the week.

The IMF's managing director Michael Camdessus warned, however, that international aid would provide "only temporary relief" to the beleaguered economy. The interest on Russia's debt costs the government \$6.6 billion each month and investors fear it will be tempted to de-

Growing ranks of unemployed count cost as Indonesia slides into first recession for 30 years

CRIPPLING interest rates and the rupiah's spectacular collapse have sent Indonesia into its first recession for 30 years, writes Charlotte Denny.

Output shrank by 16.54 per cent in the second quarter of the year after falling by 6.2 per cent in the first quarter, according to Indonesia's Bureau of Statistics. Economists define a recession as two successive quarters of contracting output.

The numbers are a confirmation of the pain experienced in the past year by the country's swelling ranks of unemployed and its largest corporations, as the rupiah lost more than 80 per cent of its value against the US dollar.

value the rouble to cut its \$200 billion liabilities.

Moody's, the international credit rating agency warned that the country might need

up to \$20 billion from the IMF to stave off a default on its debts — a move that could wipe out the credibility with investors that Moscow has

built up since the collapse of communism.

"Moody's has a very low rating on Russia's domestic government debt... close to

the bottom because there is a risk it might not be possible to roll over that debt," David Levey, of Moody's, told Reuters. He also warned that Russia's troubles risked spilling over into eastern Europe.

In a separate knock to investor confidence, another foreign company pulled out of bidding for the last state-owned oil company, Rosneft, a deal which the government had hoped would raise \$1.6 billion.

As trading floor gloom spread, share values on the benchmark RTS stock index dropped by 9 per cent at one point before recovering to finish 4.5 per cent down, at its lowest level for two years.

"There is a feeling of desperation," said Artiom Korkoff, a trader at the Moscow brokerage Tantieme. "People are getting out at any price."

This is the small print from the credit card advert that earned a landmark rebuke

Cardholder must be aged 18 or over. Application subject to credit check. Interest rate 12.99% per annum. Repayment must be made by the 25th of the month following the month of purchase. Late payment charges apply. Cardholder agrees to indemnify the bank against all claims and damages. The bank reserves the right to vary the terms and conditions of the card at any time without notice. The card is not to be used for cash advances. The card is not to be used for gambling or other illegal purposes. The card is not to be used for the purchase of alcohol or tobacco. The card is not to be used for the purchase of services provided by the bank. The card is not to be used for the purchase of services provided by other financial institutions. The card is not to be used for the purchase of services provided by other companies. The card is not to be used for the purchase of services provided by other individuals. The card is not to be used for the purchase of services provided by other entities. The card is not to be used for the purchase of services provided by other organisations. The card is not to be used for the purchase of services provided by other groups. The card is not to be used for the purchase of services provided by other associations. The card is not to be used for the purchase of services provided by other clubs. The card is not to be used for the purchase of services provided by other societies. The card is not to be used for the purchase of services provided by other unions. The card is not to be used for the purchase of services provided by other guilds. The card is not to be used for the purchase of services provided by other orders. The card is not to be used for the purchase of services provided by other fraternities. The card is not to be used for the purchase of services provided by other brotherhoods. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card is not to be used for the purchase of services provided by other associations of all kinds. The card is not to be used for the purchase of services provided by other organisations of all kinds. The card is not to be used for the purchase of services provided by other groups of all kinds. The card

London and Frankfurt team up

Market rivals go for new Big Bang

Jill Treanor

LONDON and Frankfurt yesterday called a truce in their fight to be Europe's dominant financial centre by taking the first steps towards the creation of a single stock exchange.

In a move expected to compare with the Big Bang which revolutionised the City in the 1980s, the Stock Exchange and Deutsche Börse announced a groundbreaking "strategic alliance".

The two exchanges are forming a joint-venture company to carry through the plan. While much of the detail is still to be decided, the exchanges aim to enable the trading of the largest British and German stocks through a "common access package" by January 1999, when Europe's single currency is introduced.

The exchanges, which combined are second in size only to New York's, will develop a new electronic system through which Europe's top 300 stocks will change hands.

Other European exchanges, unaware of the plans, which have been kept under wraps for two months until a leak on Monday, appear to have little choice but to join the alliance.

The idea of the link came during one of the regular meetings between Gavin Casey, chief executive of the London Stock Exchange, and Werner Seifert, chief executive of Deutsche Börse.

"When we met we found we had the same topic in our notebooks," Mr Seifert said. "Work is now under way to draw up a single set of rules for the new exchange. It is unclear how it will be regulated, though Howard Davies, chairman of the Financial Services Authority does not envisage any regulatory problems."

"We have already been in touch with our German opposite numbers to discuss the way forward," he said. John Kemp-Welch, chair-

man of the Stock Exchange, contacted the heads of other exchanges in Europe just before yesterday's announcement and said they had expressed an interest in it.

The Paris Bourse, however, issued a terse statement in which it said the idea of a common trading system had been explored in the past, but that the British and German exchanges had got cold feet.

The French exchange said it was pleased to see the two exchanges "holding a more European way today".

The race is now on to decide which index should be deployed as the benchmark across Europe.

The Eurotop 300 system, designed in London, looks as if it might out-perform Stoxx, a German version, although a final decision is yet to be made.

Ultimately, domestic indices will become redundant as investors take a pan-European view of the markets. "The general view of investors is that there will be a point when national indexes will cease to be relevant. But that may be a long time," said Martin Wheatley, head of markets development at the Stock Exchange.

City sources thought the alliance would leave Liffe, the London International Financial Futures and Options Exchange, on the margins of the market. Liffe's management, accused of being slow to respond to the competition from Frankfurt, is thought to have been unaware of the plans of its London neighbour.

"This is today's equivalent to Big Bang," Jeremy Seddon, chief executive of British Invisibles, a trade body part-funded by the Corporation of London.

The alliance aims to make it easier and cheaper to trade stocks in Europe — which will lead to job losses at the 40 or so exchanges across the continent. "One of the aims is to take costs out of the structure," Mr Wheatley said.



Peace pact... Werner Seifert, left, and Gavin Casey, head of the Frankfurt and London exchanges, set their seals on the deal. PHOTOGRAPH: PAUL VICENTE

Joining forces

London Stock Exchange and Deutsche Börse aim to form a strategic alliance

London	Frankfurt
£1.38tn (July 6)	£0.64tn
2,991 (UK 2,465)	1,763
24.0tn	£6.07tn
273	Number of members
251	
90	
Best of the rest	
Market capitalisation, £ billion	
New York Stock Exchange	6.05
NASDAQ	1.35
Japan	1.22
Paris	0.57
Amsterdam	0.33
Milan	0.30

Sources: Reuters and Thomson Securities 2000

Single currency forces City to raise white flag

CITY figures have insisted the introduction of the euro next year does not pose a threat to the City's standing, writes Jill Treanor.

However, the London Stock Exchange's decision to hold up the white flag and co-operate with Frankfurt is a sign of the rapid change sweeping through financial markets ahead of the euro.

Gavin Casey, chief executive of the Stock Exchange, yesterday outlined the opportunities of a unified Europe. It would have higher gross domestic product than the United States and a rapidly ageing population for whom equities would be the obvious

home for investments. "The euro is a factor but not the only factor."

Exchanges across Europe have been forging alliances while London has appeared slow to join in. Deutsche Börse is in discussions with Nasdaq, the US exchange, about co-operation with exchanges in many European centres.

The drive for co-operation is fuelled by the knowledge that once Europe becomes a true single currency area, the need for domestic exchanges will diminish. Werner Seifert, chief executive of Deutsche Börse, yesterday described the latest alliance as a pre-emptive move against the fragmentation of Europe's

equity market. It should also end "all speculation about the battle between London and Frankfurt which was never intended by either side".

However, a few weeks ago Germany's derivatives exchange, DTF, was relishing the anguish of Liffe in London, which was helpless as the German exchange snatched a leading position in futures trading in German bonds.

The new alliance between the stock exchanges in London and Frankfurt will allow them to share the cost of developing a pan-European trading system, which will need to incorporate the latest technological innovations.

News in brief

Call for law on bosses' pay

UTILITY directors should have performance-related pay linked to league tables of company performance, water watchdog Ian Byatt said. The call for greater transparency came days after the packages awarded to Yorkshire Water and National Grid bosses reignited the "fat cat" row.

Mr Byatt, speaking at a regulation conference, said utilities should be required to publish details of pay schemes. "I understand some directors' pay is related to service standards, but whether these are demanding standards is not revealed," he said. — *Celia Weston*

GE the first \$300bn firm

GENERAL Electric became the first US company to top \$300 billion (£183 billion) in market capitalisation, after a 17-year rise under chairman John F Welch Jr.

GE, with a range of products from light bulbs to loans, saw its stock gaining 33 per cent in a year. The company has added \$100 billion in value in 18 months, and profit has risen 72 per cent in each of the past five years.

Based in Connecticut, GE is also the owner of NBC, the US TV network. — *Bloomberg*

Talk Radio group in talks

THE management buy-out team bidding for national network Talk Radio is due to meet its backers, the Guardian Media Group and United News & Media, later today amid indications that the consortium is set to discuss other media ventures.

The buy-out team, led by the Talk Radio managing director Paul Robinson, faces an uncertain future if it fails — as seems likely — to rival the consortium led by former Sun editor Kelvin MacKenzie. — *Chris Barrie*

Budgens to add stores

Budgens supermarket chain reported a 27 per cent rise in profits before exceptional items, and said it was forging ahead with further expansion beyond its South-east stronghold.

Chief executive John von Spreckelsen said the company was performing well "in a market niche where there is little direct competition". Profits last year reached £10.5 million on a turnover of £386 million. — *Roger Coize*

Old guard to leave Barclays

Jill Treanor

MARTIN Taylor, chief executive of Barclays, yesterday continued his shake-up of the bank's senior management by removing the "old guard" from his powerful executive committee.

The bank also announced a further shake-up of its retail financial services division.

City sources said the changes were part of Mr Taylor's move to ease out some of the members of the management team he inherited when he became chief executive in 1993.

He joined the bank at a difficult time: it had cut its dividend for the first time and announced losses as a result of the tough market conditions in the early 1990s. He did not adopt a "slash and burn" approach at that time.

The latest senior executives to leave the bank are Richard Reay-Smith, chief executive of UK retail banking, and Fred Grauer, co-chair of Barclays Global Investors. Both were on Mr Taylor's executive committee, which meets weekly to discuss the bank's strategy.

Their departures follow last month's announcement when Oliver Stockton, the finance director, said he wanted to leave the bank at the end of

the year. Barclays confirmed yesterday Mr Reay-Smith and Mr Grauer had decided to leave the group and would be doing so shortly. Mr Reay-Smith, 52, has worked at the bank since 1983. Mr Grauer, 51, joined when Barclays bought Wells Fargo Nikko Investment Advisors, the fund management group, in 1995.

They will be replaced on the executive committee by two women who are both in their 40s — Patti Dunn, who co-chaired Barclays Global Investors with Mr Grauer, and Elizabeth Wade, director of corporate communications.

Ms Dunn will become one of the most senior women at the bank.

The gap on the retail banking side will be filled by Gary Hoffman, currently deputy chief executive of UK Personal, becoming chief executive of UK retail banking. The bank has come under fire recently for its Barclaycard which will be run by Bob Porta.

Both will report to John Varley, 42, a member of Mr Taylor's executive committee. "The bank has come under fire recently for its Barclaycard which will be run by Bob Porta."

Both will report to John Varley, 42, a member of Mr Taylor's executive committee.

Waterstone's to build £3m store

Roger Cowe

WATERSTONE'S is to build Britain's biggest bookshop in London's Oxford Street, stretching to four floors and 40,000 square feet. It will include a cafe and events area.

It will be 50 per cent bigger than the chain's last large store opened in September on Glasgow's Sauchiehall Street. The new branch will open early in 2000 after £3 million of investment and will hold a stock of 400,000 books.

Alan Giles, managing director of Waterstone's, said yesterday that the store would be "spectacular, metropolitan and contemporary".

He also disclosed that Dillons' flagship store, on Gower Street close to the University of London, is to be converted to a Waterstone's, ending more than 60 years of Dillons' association with academic bookselling.

The two chains have been part of the same company since last year's merger of

Waterstone's with HMV, which owned Dillons. Since then five of the 78 Dillons stores have been closed and three have been changed to the Waterstone's name.

Mr Giles said yesterday that the Waterstone's format was more profitable than Dillons, most of which would be converted.

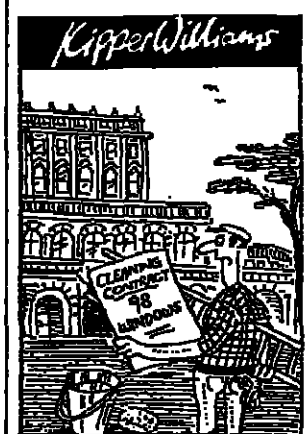
"At the time of the merger we decided that in towns where there was a Dillons and no Waterstone's we would convert them, for example in Coventry and Oxford. But there are 22 cities where there are both and we will keep both. So the Dillons chain will continue as the second largest specialist bookseller in the country, but we are diverting resources to the Waterstone's brand."

The Gower Street shop has served generations of students since it was founded by Una Dillon in 1936. Mr Giles said the new name would have little impact on the books inside. "We leave the decisions on what to stock to individual managers."

Gates group set for Cliveden win

Dan Atkinson

THE battle between two of the world's richest entities for control of Cliveden, the stately home in Berkshire, seemed to be over last night as the consortium headed by Wall Street investment bank Goldman Sachs left the field clear for a syndicate including computer soft-



ware billionaire Bill Gates, the world's wealthiest man. Cliveden plc, which operates the hotel at Cliveden, yesterday said shareholders ought to accept the £42.8 million offer from Destination Europe, the group in which Microsoft's founder has a 10 per cent stake.

It was Destination Europe, whose other owners include an arm of Lazard Frères investment bank that made the first offer on June 18, prompting comparisons between the billionaire, even dull, lifestyle of Mr Gates and the high-jinks for which Cliveden's last set was once renowned.

Cliveden, once owned by the Astors, provided the backdrop for the fateful meeting in the 1960s between the then war minister, John Profumo, and call girl Christine Keeler.

Days after the Destination Europe offer the Whitshall property group, in which Goldman had the main stake, joined with developer Westmont to mount a rival bid.

But yesterday Goldman said Whitehall had pulled out.

Complete Home Office Solution

128MB RAM

300MHz Pentium III

8.6GB Hard Disk

56k Modem

£999

The Complete Solution: A Top Spec Multimedia PC, Fax, Internet, TV, Printer, Scanner and Massive Software Bundle - All for just £999 + VAT

300M-II Home Office Special

- 300MHz Pentium III processor
- 128MB RAM
- 8.6GB hard disk
- 56k voice modem
- PC-TV system
- 512K pipeline burst cache
- 32x Micro CD-ROM
- VideoPhone Package
- 30 waveable sound
- Teletext and video capture
- 4MB advanced graphics using system RAM
- 19" SVGA colour screen (17" optional extra)
- Microsoft Windows 95
- FREE Epson 500 colour printer worth £129
- FREE A4 flatbed colour scanner (RPP £119)
- FREE Lotus SmartSuite 97 and GSP encyclopedia

FREE Printer

Epson Stylus 200 colour printer with 1200dpi print (RPP £129)

FREE Scanner

Colour A4 flatbed scanner (RPP £119) about you to scan pictures, photos and your documents. It's fast, easy to use as a photocopier and the machine is compact.

FREE Software

Included Lotus SmartSuite 97

EXEC Models with Interest Free Credit

Three include 3 top CD games including FIFA Soccer (RPP £149), System, complete encyclopedia and over 12 CD magazines. Price (RPP £299) for just £99 + VAT = £1173.83 inc. VAT

0% Finance

Pay over 12 months with 0% interest

Visit your local showroom

Find a list of showrooms on page 10 of the 1998 Yellow Pages

0800 771107

Freephone Time Now

Ortega rekindles United's interest

Liverpool's attempt to sign the Nigerian defender Taribo West collapsed yesterday when the player announced he intended to honour his contract with Internazionale.

The Merseyside club had agreed a £5million fee with Inter on Monday, but West did not travel to England yesterday lunchtime as had been planned, insisting instead he wanted to remain in Italy.

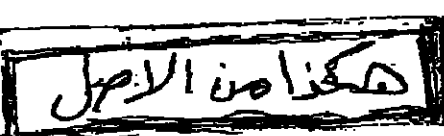
The Juventus defender Moreno Torricelli has joined Fiorentina for £4.5 million. Torricelli helped Juventus to three Serie A titles and the European Cup in 1996.



Newcastle have signed Carl Serrant from Oldham and Garry Brady from Tottenham. Serrant, an England Under-21 right-back, cost an initial £500,000 — rising to £600,000 — but Brady, a midfielder, arrived on a free transfer after an "administrative error" at Spurs.



The race has won the Formula One teams' award for the world's best grand prix for the past two years.



Cricket

MacLaurin's new summit aims to raise the English standard

Mike Selvey

LORD MacLaurin, the chairman of the England and Wales Cricket Board, seems likely to achieve more radical changes to the County Championship in the wake of the evidence of the time the England team, while containing quality cricketers, is inconsistent and uncompetitive.

For next season, the chairman of the first-class counties voted in a compromise by reorganising the playing structure but shying away from any notion of splitting the championship. Instead the counties have the dubious incentive of being able to contest another one-day competition the following season.

While the party line from the ECB is that the game is thriving, MacLaurin has asked for a meeting of the county chairmen at the end of the season to consider the proposals once more. The move follows the Government decision to remove domestic Test matches from the list of sporting events that must remain on terrestrial television channels as the so-called jewels in the national sporting crown. A more open market it is hoped will increase income into the game and allow more investment.

"Towards the end of the year, we'll have some indication of the finances that will be available to cricket," said MacLaurin yesterday. "It will present us with an excellent opportunity to review the whole structure of the first-class game."

However, there is a feeling that MacLaurin's incentive has been diluted since he took over the chairmanship of the ECB at the start of last year. At the time, the game was crying out for strong leadership and MacLaurin, whose record as chairman of Tesco was indicative of his business acumen, looked certain to supply it. The response, though, has been disappointing with MacLaurin adopting a soft-footed approach to the county chairmen in an attempt to revamp the system when they might better have responded to a heavier hand.



MacLaurin... high hopes

what preceded it. Some changes can be expected beginning with the opening partner for Mike Atherton. Nick Knight was as technically culpable as Steve James had been at Lord's and presumably, if he is fit, Mark Butcher will return in that capacity.

A big double helping of old charisma



Angel on cricket

ABOUT an hour after Angus Fraser had blocked England to safety at Old Trafford, the guests began arriving at a London hotel to honour the man generally regarded as his cricketing forefather, Sir Alec Bedser, and of course his identical and virtually inseparable twin, Eric, for their 80th birthday.

Angus was on the guest list. Understandably, he never quite got there. He would have received an almighty cheer had he walked in late. No one else in the England team could have banked on a similar reception, with the possible exception of Alec Stewart.

This is not just a reflection of their achievements of the day. Both are seen as throwbacks, old-fashioned types, and among the handful of moderns fit even to lick the clodhopping cricket boots of the Bedser generation.

It was, anyway, quite a night. I swear I saw Tony Banks ask for John Major's autograph. The former Prime Minister paid tribute to the twins with his customary deftness on these occasions. I sometimes feel he regards the knighthood he bestowed on Alec Bedser as just about the most solid achievement of his premiership.

Richie Benaud, who did make it down from Old Trafford, told his version of the great deciding-which-twin-is-which conundrum. He was originally told that Alec had a mark on his forehead, and he spent half a summer not quite making eye contact trying to use this method. This didn't seem to be working, so he asked someone else. "It's easy," he was told. "Eric's got this mark on his forehead."

NatWest Trophy, second round: David Hopps on the outsiders who are aiming to add Derbyshire to their victims today

Scotland show all you need is Love

IT IS A mark of the traditional pessimism surrounding Scottish cricket that when dates were finalised for a brief summer tour by Bangladesh, nobody took too much notice of the potential clash with the second round of the NatWest Trophy.



A fine affair... Jim Love, Scotland's director of cricket, has presided over one of the best seasons in the country's history

In future, Scotland will have to take themselves more seriously. A first-round victory against Worcestershire entails that Derbyshire visit the Grange Club in Edinburgh today, while Bangladesh, a country now respected enough to be afforded one-day international status, meet a hastily assembled Second XI in a three-day match at Broughty Ferry.

For Jim Love, the former Yorkshire batsman, and now Scotland's director of cricket, it is a burdensome, yet deeply satisfying time. Qualification for next summer's World Cup in England has provided the motivation in what is already one of the finest seasons in their history.

"There is a totally different attitude in our cricket these days," Love said. "Now the English counties come up here knowing that they are in for a game. But we are certainly up against it at the moment. We are using more players than we can ever remember."

Three counties, Yorkshire, Derbyshire and Durham, came within a whisker of defeat in Benson and Hedges Cup group matches this summer, as each time Scotland looked just one bowler short of winning the tie.

But a concerted team performance accounted for Worcestershire in the NatWest first round a fortnight ago and Bangladesh were routed in Glasgow on Saturday in the first of three one-day matches for the Cairn Trophy. A full-strength Scotland side will contest the final two games this weekend.

Love has succeeded in bringing more practical attitudes to Scottish cricket. A national premier league has been launched this season, uniting the once warring cricketing factions loosely based around Edinburgh and Glasgow.

Many English counties, notably Lancashire and Yorkshire, have failed in attempts to restructure on similar lines, in spite of persistent lobbying by the England and Wales Cricket Board that such changes are essential for the future health of the game.

Support from the national lottery has enabled nine players to turn professional over the summer. With Bangladesh to be followed by an Australian A tour, plus commitments at the European Championships in The Hague and the Commonwealth Games in Kuala Lumpur, resources are under considerable strain.

Paceman Millns out on his ear

DAVID MILLNS, lacking form after an ear infection, joins James Ormond, who has back problems, on the Lancashire sidelines against Glamorgan and possibly for Saturday's B & H Cup final against Essex, who take on Hampshire today without the broken-finger victim Darren Robinson, ruled out for three weeks.

The medium-pace Dominic Williamson will probably fill in for Lancashire. Robert Croft is back for Glamorgan from England duty and Steve James is determined to play despite a cracked right index-finger.

This summer's new-ball partnership has also prospered. James Brinkley, a former Worcestershire fast bowler, will not face Derbyshire today because of injury, which leaves much onus on Asim Butt, a Pakistan-born

shop worker, whose steadfast left-arm medium pace became available this season after the completion of a four-year residential qualification.

Scotland are also without their injured all-rounder Mike Allingham and the opener Bryn Lockie. But the biggest surprise is the omission of the first-choice wicket-keeper Alec Davies. The veteran stumper's place goes to Douglas Lockhart of Oxford University. Lockhart will also be expected to fill the No.3 batting position in the absence of Allingham, who scored a half-century against Worcestershire.

For Derbyshire, the former England seamer Phillip DeFreitas misses the game with tonsillitis and the opening batsman Adrian Rollins has a back injury.

Tendulkar helps set record

SACHIN TENDULKAR and Sourav Ganguly set a record opening partnership for one-day internationals of 252 in India's six-run Independence Cup victory against Sri Lanka yesterday. Tendulkar, who scored 128, also equalled Desmond Haynes' record of 17 centuries in limited-overs internationals for West Indies.

Kenya's Dipak Chudasaman and Kennedy Otieno held the previous record of 225, against Bangladesh last winter. Nottinghamshire have banned fans bringing alcohol into Trent Bridge during the fourth Test between England and South Africa which starts on July 23. Alcohol will still be on sale in the ground.

Athletics

Marshall back in action after drugs ban is lifted

Duncan Mackay

BRITISH athletics has been forced to fall into line with the rest of the world on drug bans following the decision of the international governing body to reinstate the shot-putter Guy Marshall.

Officials of the British Athletic Federation had vowed to continue suspending athletes for four years even after the International Amateur Athletic Federation voted last year to halve doping bans to two years. But Marshall, banned in 1995 after testing positive for a variety of illegal substances, appealed directly to the IAAF in Monte Carlo, which then lifted his suspension.

"I expected to serve the full four years and was prepared to do so," said the 26-year-old from Beverley, Yorkshire. "I'm grateful for the chance to resume my career."

Marshall, who gave six negative tests while banned, has agreed to do what he can in educating young athletes about the danger of taking drugs. "It was such a bad experience that I will make sure this never happens again," he said. "To any youngster who might be tempted, my message is don't. It is just not worth it."

Sport in brief

Athletics

Denise Lewis will take on the former Olympic long-jump champion Heike Drechsler in the Bupa Games at Gateshead on July 19. Drechsler will be one of Lewis's major rivals for the European title in Budapest next month, having won gold at the last three championships.

Ice Hockey

Nottingham Panthers have signed the Canadian forward Steve Roberts, writes Vic Buchfelder. The 24-year-old scored 37 goals in 50 games for the Dayton Bombers in America's East Coast League last season.

Tennis

Max Mirnyi from Belarus, who won the Wimbledon mixed doubles title with Serena Williams, beat the British No. 6 Barry Cowan in the British Challenger Trophy. Mirnyi came from behind after losing the first set on a tie break to win 6-7, 6-2, 6-3.

Boxing

Johnny Nelson will fight the London-based Nigerian Peter Oboh at the Sheffield Arena on July 18 in a support to the World Boxing Organisation cruiserweight title rematch between Carl Thompson and Chris Eubank.

Equestrianism

Chris Bartle and this year's Badminton winner Word Perfect II held the early lead after the dressage test in the Eventing Grand Prix at the Hickstead Royal International Horse Show, writes John Kerr.



The second offensive begins.

NatWest
More than just a bank

France 98

David Lacey in Paris finds the host nation guardedly optimistic of semi-final victory over Croatia tonight despite a less-than-convincing attack

France look to the defiance of Desailly

GLORIOUS failure is hardly an English prerogative. France were limping gallantly out of World Cup long before England were being frustrated by the Hand of God and penalty shoot-outs.

This is why the host nation is approaching tonight's semi-final against Croatia at St-Denis in a spirit of qualified optimism rather than rock-solid expectancy. Even their coach, Aimé Jacquet, habitually wears the resigned expression of a French prime minister of the Fifties who knew his government would be lucky to survive the next fortnight.

France are unlikely to lose in open play. Their defence, inspired by the outstanding form of Marcel Desailly and undisturbed by the eccentricities of Fabien Barthez, has been so far conceded just one goal. Desailly could be as important to France winning

this World Cup as Bobby Moore to England in 1966, with Laurent Blanc not far behind.

Yet the longer the tournament has progressed the less conviction the French have shown in attack. In the second phase, with Zinedine Zidane suspended, they consistently wandered into a way out only with Blanc's golden goal in late extra-time. Against Italy in the quarter-finals their finishing, crosses and even final passes lacked belief.

More and more France's impetus has come from the back, through Desailly or Lilian Thuram, swift, strong and alert, overlapping on the right. Their ability to break out of deep defence and get men forward quickly is a considerable asset but one which can be properly exploited only if the finishing improves.

In midfield Zidane is alter-

natively brilliant and brooding. With his loping gait and at times extraordinary close control, he is capable of changing a game in an instant but he also has a tendency to drift out of matches at crucial stages. Tonight much will depend on which playmaker, Zidane or Zvonimir Boban, is able to seize the initiative and keep it.

In Davor Suker, Croatia have a natural striker. France, on the other hand, have honest triers such as David Trézéguet and Stéphane Guivarch. The hosts urgently need Youri Djorkaeff to come good with one of his infrequent but spectacular goals and if Thierry Henry, a substitute against Italy, could recapture his form of the early part of the tournament Croatia's defence may be stretched.

Henry, however, is unlikely to give France the speed and penetration that Mario Stanic provided on the right when Croatia beat Germany. Stop-

France

Goalkeeping
The tall, lanky Barthez is not a classical keeper in the sense of safe handling but his positioning is good and he is decisive coming out.

Defence

France's greatest strength. Desailly is impressive both at the back and coming forward and the ability of Thuram to overlap at speed is crucial.

Midfield

Looking slightly weary, particularly Deschamps, but Petit is becoming more of an influence. So much depends on the mood of Zidane.

Attack

Never France's strongest point, they may now look to Trézéguet for inspiration through Guivarch must justify Kenny Dalglish's faith in him some time.

Croatia

Goalkeeping
Ladic has a strong understanding with his defence and is at his most confident. Refused to be fazed by Germany's aerial bombardment in Lyon.

Defence

Solidly built around Stanic, can defend in numbers when they need to and then break quickly.

Midfield

Boban's influence is profound but Croatia will be looking more to the pace of Stanic on the right to turn the formidable French defence. Jarić gives them useful balance on the left.

Attack

Suker will be closely marked but he reveals in that sort of situation and his quick footwork may be too much even for Desailly.

ping Stanic should be a French priority.

France will be praying not merely for a win but a win with style. That may be asking a lot. Before the World Cup, Jacquet was accused of being too cautious and his team too functional. Even his pronouncements appeared to be warning French fans not to expect too much.

"A place in the last four is the minimum we must achieve," he said. "As hosts, we must at least reach the semi-finals. We have no other choice."

"The French public can be critical," Jacquet added, "but I can't imagine that they won't get behind us. It's a massive event and national pride is at stake. Tonight those words could not be more apposite."

In taking France to the semi-finals Jacquet has been as good as his guarded word. The French nation, however, is seeking glory, not a plea of

mitigation. A defeat now and France will be convinced it is destined never to win the World Cup.

Forty years ago France reached the semi-finals in Sweden in spectacular style. An attack inspired by Raymond Kopa, a Polish-born winger, and led by the prolific Just Fontaine, who scored 13 goals in the tournament, swept them to the last four where they were beaten 5-2 by Brazil.

In Spain in 1982, the team of Michel Platini recovered from losing their opening match to England to advance to another semi-final, where they led West Germany 3-1 in extra-time only to be hauled back to 3-3 before losing on penalties. The assault by Harald Schumacher, the German goalkeeper, which put Patrick Battiston into a neckbrace but went unseen by the referee left the French feeling bruised and cheated.

Two years later Platini and his midfield musketeers, Alain Giresse and Jean Tigana, led France to their only triumph in a major tournament when they hosted and won the European Championship. In the next World Cup that team reached its apogee in Mexico in 1986 with the 1-1 draw with Brazil in Guadalajara which remains one of the finest games ever played.

This time France won the shoot-out but again frustration followed. Another semi-final against the Germans found the French exhausted by their efforts against Brazil and easily beaten 2-0. At least Jacquet's players will face Croatia tonight with the benefit of an extra day's rest.

Should France win tonight, they will be the first host nation to reach a World Cup final since Argentina in 1978. But their followers would still take some convincing that glory lay just four days away. It has been too long a wait to take anything for granted now.

Mr White Scarf relives smash hits for Croatians

Michael Walker on Miroslav Blazevic, the colourful coach who wears many hats

PLAYBOY. Astrologer. Nomad. Poof. Anyone tempted to write the book on Miroslav Blazevic might think it wise to follow the lead of John Le Carré when coming up with a title. That is until they start investigating the man in depth and find that 10, 20, or 30 words would not be enough to adequately describe a 63-year-old with such a cork-screw tale to tell.

Furthermore, Blazevic's story is not yet finished, indeed, as the man who has steered Croatia to win in 90 minutes of the World Cup final, he is currently embroiled in the thickest of plots. And, as the imaginary book title suggests, it is not for the first time.

Less than three years ago, for example, anyone looking for Blazevic would have found him in the picturesque French town of Aix-en-Provence — in a police cell. Blazevic had been arrested when trying to re-enter France after being linked to the Bernard Tapie-Marseille bribery scan-

dal and spent 16 days behind bars insisting that he was merely "a witness".

Blazevic was later cleared of all charges but the confinement came as the culmination of an unpromising spell in France as manager of Nantes. It was also practically the only time Blazevic failed as a football coach.

He had made his reputation during 1982-83 when, as manager of Dynamo Zagreb, Blazevic led the club to their first Yugoslav title for 24 years. For this he was accorded folk-hero status in Croatia and just as he has adopted a gendarme's hat in France this summer, Blazevic had a lucky charm then, too. Because of it he became known as Mr White Scarf. Dynamo fans even sang a song about it.

A decade later the same fans would be singing a rather different tune about him but for the years in between Blazevic remained popular, a situation which survived him leaving to coach Switzerland, France and Greece until his return to

Croatia and Dynamo Zagreb in 1992. That return came at the behest of Franjo Tudjman, the first president of the independent Croatia.

Tudjman is a football fanatic and installed Blazevic as the president, coach and, most curiously, the owner of Dynamo.

A championship in Blazevic's first season back was won but then, on the instructions of Tudjman, Blazevic outraged locals by changing the club's name from Dynamo Zagreb to Croatia Zagreb.

Even though the country was in the grip of nationalistic fervour because of the civil war, the blatant politicking incensed supporters who reacted by labelling Blazevic a "poof".

This was not a reference to Blazevic being a homosexual — he is married with three children — it is just that "poof" is the biggest insult a Croat can hurl. After the victory over Germany last Saturday Blazevic said that he was pleased to hear he was no longer being called poof but instead "maestro".

He was laughing then just as he has been since coming to the World Cup. Asked about the rash of sackings among managers failing to make the second round, for instance, he said: "It's all part of the game. We're not tradesmen, we're adventurers. I consider myself a nomad."

There is a famous story about Blazevic at Dynamo Zagreb. It involves a Rolex watch, one that Blazevic took from his wrist and smashed on to the wall of the dressing-room. He was demonstrating to his players what he wanted them to do to the opposition and in a poor country this was an impressive act.

It was only after the game that it was revealed that the Rolex was a fake. But Dynamo had won and Blazevic had got his result.

Given that he consults an astrologer Blazevic may already know tonight's result. He said: "I am far too ambitious to be happy with what we have achieved so far. I want to go all the way." If so, another word can be added to that book title — magician.

CROATIA: Ladic, Stanic, Bilic, Sirm, Jarić, Suker, Asanovic, Boban, Stanic, Suker, Vucelic.



Main man... Deschamps, left, is a midfield organiser and France will be looking to him for inspiration against Croatia in St-Denis tonight MICHAEL ELLER

The perfect platform for Deschamps to conduct the music and silence his critics

Paddy Agnew in Clairefontaine finds the France captain showing no sign of nerves

AFRONT window of the chateau at France's training headquarters opens and Didier Deschamps leans out, shouting: "A table!"

The 29-year-old team captain is used to calling his men to heel. Be it with the Italian champions Juventus or with France, the role of Deschamps is that of a midfield organiser, the man who creates the perfect platform for the creative skills of Zinedine Zidane. His midfield partner for club and country.

Yet, despite an impressive curriculum vitae that includes three Italian titles, two French titles (with Marseille) and two European Cup medals (Marseille and Juventus), Deschamps

does not impress everyone. At a kerb-side café table late one night the BBC pundits Mark Lawrenson and Martin O'Neill both questioned Deschamps' contribution to the side. He had already been dismissed by Eric Cantona as a "water carrier".

The point is that Deschamps is to the France coach Aimé Jacquet what Zvonimir Boban represents for Croatia or Dunga for Brazil. He is the main man, and not just for summoning team-mates to lunch.

It may be true that Deschamps has been less than dynamic at this World Cup. Like his Juventus team-mates Alessandro Del Piero, Angelo Di Livio and Angelo Peruzzi, he may be

paying the price of a tough, but title-winning season with the Turin club.

Deschamps said in January: "Modern football puts too much physical and mental stress on players. Sometimes you get to the end of the season and your body is just screaming for a rest, something just has to give." Fortunately for Deschamps, nothing has so far.

Yesterday he neither

looked nor sounded like a man under pressure; rather, as he quietly answered questions, it became clear that he regards the chance of a first French World Cup final appearance with equanimity.

"Before the World Cup I didn't expect to see this level of enthusiasm. French fans turning up in thousands dressed in the French shirt, painted in French colours. This is something new in France," he said.

"During the penalty shoot-out against Italy I got the impression that French spectators, French television viewers and everybody in the country was more tense than we players in the centre circle."

Even the thorny question of France's lack of a goal poacher did not worry him. "We mustn't create a mental block for ourselves about this," he said. "The

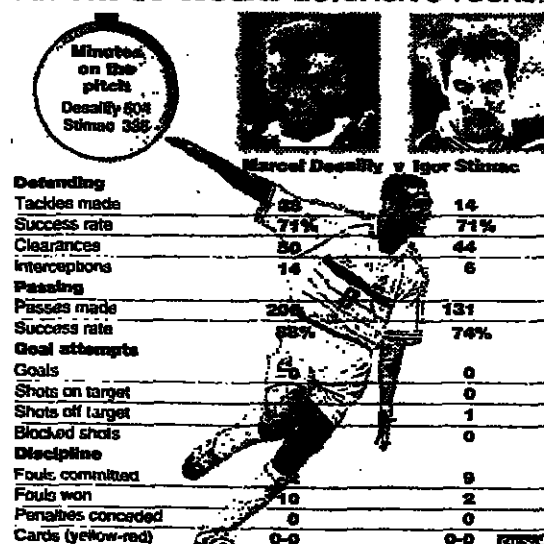
important thing is that the midfield is creating chances and that it continues to create chances against Croatia."

And what of the Croatia coach, Miroslav Blazevic, under whom he played in the mid-Eighties at Nantes? "I owe him a lot, he gets the most out of players, he's very sure of himself. He has technically gifted players but he has given them defensive rigour and brought balance to the team."

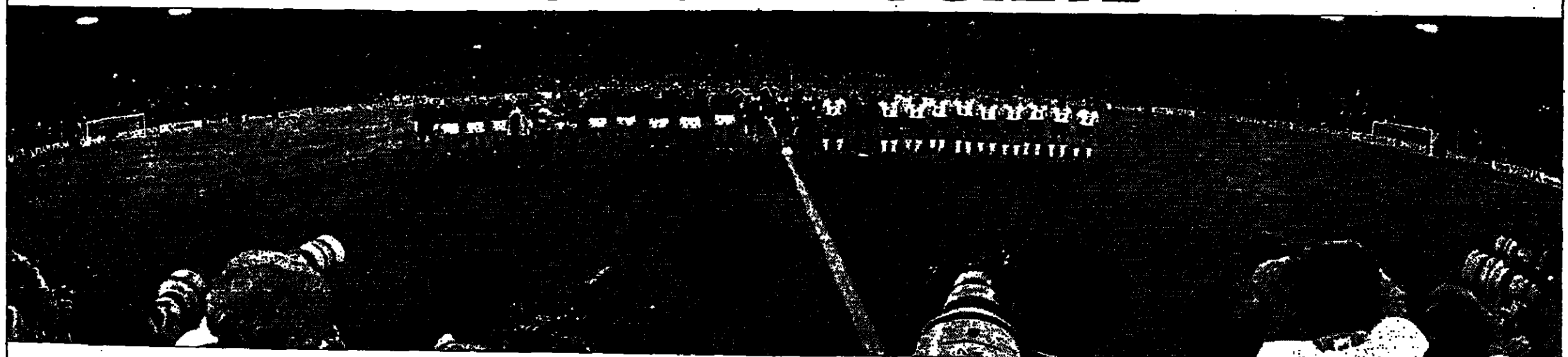
On a yellow card in tonight's semi-final, Deschamps promised yesterday that this would not inhibit his normal terrier style, adding: "I don't care who wins the other semi-final. I don't care who we meet in the final. The important thing is that we make the final." And so says all of France.

Continues the movie star, 62

Head-to-head defensive rocks.



INTER THE NATION'S FAVOURITE



THE NATION'S FAVOURITE STORE FOR OFFICIAL WORLD CUP REPLICAS. CALL 0800 7832016

WHATEVER YOU'RE INTO
INTERSPORT

Road to the final



PHOTOGRAPH : THOMAS KIENZLE

Finals too long, says Blatter

played like Europeans. I would have been happy if we had gone down playing our own style. But Argentina came out playing like Germany while at the same time Holland played like Argentina and led us a merry dance."

One punter will collect more than £500,000 if Brazil lift the World Cup

this Sunday. Adrian Fitzpatrick, of Birmingham, placed an £18,000 double on Brazil to retain the World Cup and Arsenal to win the Premiership, both at 9-3 last August. If his double is realised, Fitzpatrick stands to receive £544,000 from the bookmakers William Hill.

He hopes to repeat his success of 1994, when he won £395,000 after betting on Manchester United and Brazil for the same trophies.

Ladbroke's
It's better with a bet on.

Why not change the way we work? BT

Offer extended to 31.08.98 on lines installed by 30.09.98. Example: Connection to BT's ISDN2 start-up package costs £99 (ex VAT).
Line rental and minimum contract periods apply.

D

Nigeria	3	2	0	1	3	6
Paraguay	3	2	0	1	3	5
Spain	5	1	1	3	4	4
Bulgaria	3	0	1	2	1	3
Score June 12 - Amsterdam						
Paraguay	0					
Bulgaria	0					
Attendance: 27,650						
Score June 13 - Madrid						
Spain	2					
Maro 21, Raii 47						
Nigeria	1					
Adolpo 24, Lami 73, Olisei 79						
Attendance: 33,257						
Score June 14 - Rome						
Nigeria	1					
Spies 17						
Bulgaria	0					
Attendance: 40,500						
Score June 15 - Prague						
Spain	0					
Paraguay	0					
Attendance: 35,300						
Score June 16 - Rome						
Spain	6					
Maro (pen) 6, Luis Enrique 16,						
Montañas 55,61 Kiko 69,30						
Bulgaria	1					
Kostadinov 55						
Attendance: 40,500						
Score June 22 - Toulouse						
Cruze 10						
Paraguay	1					
Ayala 1, Bresson 38, Cordeiro 58						
Nigeria	3					
Attendance: 36,600						

	P	M	L	F	A	S
Holland	3	+2	0	7	2	5
Mexico	3	1	2	0	7	5
Belgium	0	3	0	6	4	3
S Korea	0	0	1	2	5	9
Sat, June 15 - Los Angeles						
South Korea						1
He Seok-ho 28						
Mexico						3
Yoon Joong-Hi, Hwangdeul 75, 94						
Attendance: 37,588						
Sat, June 15 - S. Dakota						
Holland						0
Belgium						0
Attendance: 75,000						
Sat, June 22 - Belgium						
Belgium						2
Witvoet 45-45						
Mexico						2
Garcia Aspe [pen] 55, Blanco 63						
Attendance: 34,750						
Sun, June 23 - Mexico						
South Korea						5
Cook 57, Overman 41, Berglund 71,						
Van Hoofden 78, R De Boer 83						
South Korea						0
Attendance: 60,000						
Sun, June 23 - St. Etienne						
Holland						2
Cocu 4, R de Boer 10						
Mexico						2
Plaza 78, Hernandez 90						
Attendance: 55,502						
Sun, June 23 - Panama						
Belgium						1
Nils 7						
South Korea						0
Yoo 10						
Attendance: 43,600						

G

	P	W	D	L	F	A	Pts
Group 1							
Norway	3	2	1	0	4	2	7
England	3	2	0	1	3	2	6
Colombia	3	1	2	1	3	3	5
Tunisia	3	0	2	1	4	3	4
May 20/21/22 - Marseille							
England							2
England 42, Schote 90							
Tunisia							0
Attendance: 54,567							
May 23/24/25 - Lyons							
France							1
Ro 45							
Colombia							0
Attendance: 37,572							
May 26/27/28 - Montpellier							
Colombia							1
Piedats 83							
Tunisia							0
Attendance: 35,000							
May 30/31/22 - Toulouse							
France							2
Toulouse 47, Perreux 90							
England							1
Owen 83							
Attendance: 37,500							
May 31/June 1/2 - Cardiff							
France							1
Moldovan 72							
Tunisia							1
Southwell 100							
Attendance: 60,000							
June 4/5/6 - Paris							
Colombia							0
England							2
Anderdon 20, Beckman 30							

	P	W	D	L	F	Pts
Argentina	3	3	0	7	0	9
Brazil	3	2	0	1	4	8
Uruguay	3	1	0	3	0	6
Japan	1	0	2	5	1	0
Semi-finals 14-16 October						
Argentina						1
Brazil 26						0
Attendance: 35,400						
Semi-finals 14-15 October						
Jamaica						1
Italy 45						0
Croatia						3
Slovak 27, Poland 63, Italy 89						Attendance: 38,058
Semi-finals 16-17 October						
Japan						0
Croatia						1
Italy 77						0
Attendance: 39,000						
Semi-finals 17-18 October						
Argentina						5
Italy 33, Jamaica 73, 78, (pen) 83						0
Attendance: 48,500						
Final 18-19 October - London						
Argentina						1
Poland 38						0
Croatia						0
Attendance: 35,000						
Final 18-19 October - Lyon						
Japan						1
Netherlands 76						0
Jamaica						2
Wales 36, 64						0
Attendance: 42,500						

NAME	PRIZE	NAME	PRIZE
Belgium 2 Paris		Belgium 2 Paris	
Brazil 4		Brazil 4	
Sampelo 11, 27		Sampelo 11, 27	
Chile (pen) 45, 70		Chile (pen) 45, 70	
Sales 68		Sales 68	
Attendance: 49,300		Attendance: 49,300	
Belgium 2 Paris		Belgium 2 Paris	
Holland 2		Holland 2	
Bergkamp 38, Davids 90		Bergkamp 38, Davids 90	
Keizerlijke 48		Keizerlijke 48	
Kornelievich 48		Kornelievich 48	
Attendance: 36,500		Attendance: 36,500	
Italy 18		Italy 18	
Vent 18		Vent 18	
Norway 0		Norway 0	
Attendance: 60,000		Attendance: 60,000	
Italy 18		Italy 18	
Mon. 18		Mon. 18	
Montevideo 18		Montevideo 18	
Attendance: 35,000		Attendance: 35,000	
France 1		France 1	
Dane 114		Dane 114	
Paraguay 7		Paraguay 7	
Attendance: 41,275		Attendance: 41,275	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2		Belgium 2	
Paris 10		Paris 10	
Attendance: 34,700		Attendance: 34,700	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2		Belgium 2	
Paris 10		Paris 10	
Attendance: 34,700		Attendance: 34,700	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2		Belgium 2	
Paris 10		Paris 10	
Attendance: 34,700		Attendance: 34,700	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2		Belgium 2	
Paris 10		Paris 10	
Attendance: 34,700		Attendance: 34,700	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2		Belgium 2	
Paris 10		Paris 10	
Attendance: 34,700		Attendance: 34,700	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2		Belgium 2	
Paris 10		Paris 10	
Attendance: 34,700		Attendance: 34,700	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2		Belgium 2	
Paris 10		Paris 10	
Attendance: 34,700		Attendance: 34,700	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2		Belgium 2	
Paris 10		Paris 10	
Attendance: 34,700		Attendance: 34,700	
France 1		France 1	
Batone 77		Batone 77	
Paraguay 7		Paraguay 7	
Moller 3, B Laudup 12		Moller 3, B Laudup 12	
Sand 80, Helweg 76		Sand 80, Helweg 76	
Attendance: 79,000		Attendance: 79,000	
France 1		France 1	
Belgium 2	</		

GAME 3	GAME 4	GAME 5	GAME 6
Italy vs. Brazil 10:00 PM	France vs. Germany 10:00 PM	Spain vs. Holland 10:00 PM	Italy vs. Croatia 10:00 PM
Brazil 3	Italy 0	Holland 2	Germany 0
Ronaldo 1, Rivaldo 2, 80		Kluwert 12, Bengtsson 80	
Denmark 1	France 0	Austria 0	Croatia 3
Jenssen 2, B. Lundqvist 50	France won 4-3 on penalties	Lopez 18	Juric 45, Vucelja 60, Suker 86
Attendance: 40,000	Attendance: 77,000	Attendance: 55,000	Attendance: 39,100

Winners - Group A		Winners - Group B		Winners - Group C	
Brazil	100%	France	100%	Spain	100%
Netherlands	100%	Croatia	100%	Italy	100%

FINAL

Winner of first semi-final

Winner of second semi-final

Sunday, July 12 - St-Denis (8pm)

ALL TIMES PST

Ortega rekindles United's interest, page 16

MacLaurin back on the offensive, page 17

Lam heads for the Saints, page 16

France 98: Croatia's trail blazer, page 18

SportsGuardian

France 98

First semi-final: Brazil 1 Holland 1 (after 90 minutes)

Kluivert takes Brazil to the limit

Ronaldo goal pegged back

Richard Williams
in Marseille

WITH a classic example of cold and economical finishing only 16 seconds after the start of the second half, the great Ronaldo scored his fourth goal of the 1998 World Cup to give Brazil the lead in their semi-final against Holland last night.

But five minutes from the end of normal time, just when Brazil seemed to have the game wrapped up, a header from Patrick Kluivert sent the two teams in search of a golden goal to determine who would go the final in Paris on Sunday.

The stirring sight of the two teams in their traditional colours was matched by the sound of two incommensurate sets of supporters respecting and applauding each other's national anthems, although the noise as the match began suggested that the crowd still had plenty of energy left after several hours of parading and chanting in the streets outside the Stade Vélodrome.

In terms of meetings in World Cup finals, the teams started all square, with Holland's 2-0 victory in the semi-final of 1974 in Dortmund, their goals scored by Cruyff and Neeskens, matched by Brazil's 3-2 win in their quarter-final in Dallas 20 years later, a game decided by Branco's long-range free-kick.

Gus Hiddink's brusque pre-match dismissal of the South Americans — "I preferred the Brazilians of 1994 to this team, which has a disorganised attack" — was largely born out by the pat-

tern of the first half in which Brazil, showing little in the way of coherence, were forced on to the defensive for long periods by the thoughtful approach play of Hiddink's team.

At right wing-back, the suspended Cafu's place was taken by Zé Carlos, Brazil's fourth choice in the position, making his international debut at the age of 29. The son of itinerant farm workers on the fringe of the Matto Grosso, he was an undistinguished semi-professional midfielder player until three years ago, when he emerged in his present position with São Paulo.

He was directly opposed not by the speed of Marc Overmars, whose hamstring injury was worsened by his brief appearance in the quarter-final, but by the trickery of Boudewijn Zenden, the 21-year-old PSV Eindhoven left-winger who will begin next season in Barcelona's colours.

Hiddink replaced his suspended left-back Arthur Numan with the astonishingly adaptable Philip Cocu, who began the competition as the holding midfielder player against Belgium and played in subsequent matches at centre forward and on the left wing.

Ronaldo's first contribution came after 15 minutes, when he muscled past Cocu before racing into the area, where Stam came across to smother the Brazilian's shot. Five minutes later a neat throw-in routine sent Roberto Carlos and Rivaldo produced a cross which Bebeto, outjumping Jaap Stam, headed narrowly over. And when Ronaldo chested down Rivaldo's



Stam of authority ... the Dutch defender clears his lines as Ronaldo closes in, while Ronald de Boer provides cover

PHOTOGRAPH: RABIE MOGHRAH

long diagonal ball and started to sprint towards goal, Frank de Boer read his intention perfectly.

Cesar Sampaio, scorer of three goals in earlier rounds, received the second Brazilian yellow card of the night for a foul on Wim Jonk moments before, and with the final

move of the first period, Kluivert put a difficult header over after a patient build-up on the right by Ronald de Boer and Jonk.

After less than 20 seconds of the second half, Brazil were ahead. Rivaldo, almost invisible in the first half, slid a pass into the Dutch penalty area to

meet Ronaldo's run. Under pressure from Cocu, the Brazilian controlled the ball with one touch of his left foot before using the same instrument to guide it past Edwin van der Sar.

Only Taffarel's reflexes prevented Holland from drawing level five minutes later when Kluivert's downward header

from Jonk's corner was met by Frank de Boer at the far post with an instant half-volley which the Brazilian goalkeeper, brilliantly tipped behind.

Holland's need to press for an equaliser seemed likely to open them up to the danger of rapid counter-attacks, and only desperate tackles res-

cued the situation when Jonk and Davids gave the ball away in midfield. When Cesar Sampaio started to burst forward after another Dutch move had broken down, Davids was booked for flattening the midfielder.

After conceding another free-kick, Holland were torn apart by a smooth Ronaldo-Bebeto combination which required all Van der Sar's speed and courage, first to beat Ronaldo to the ball and then to gather the rebound from under the feet of Leonardo.

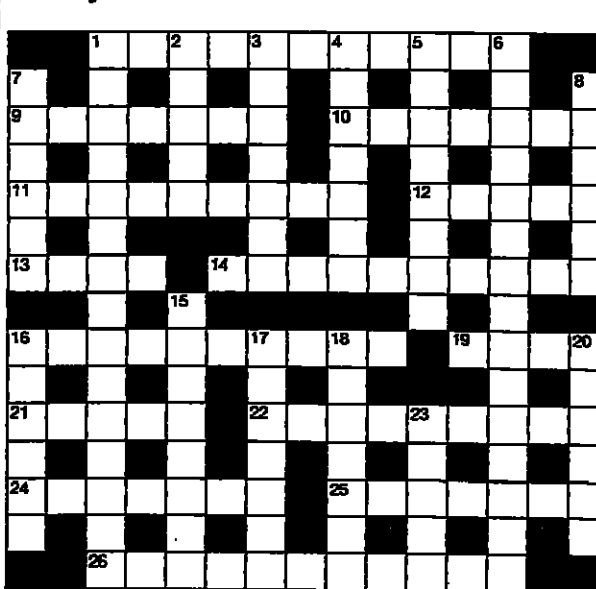
With 20 minutes to play, there were cheers from the Brazilian fans when Mario Zagallo sent on Denilson for Bebeto, in the hope of holding the ball up in the Dutch half and giving the orange defenders something to think about once more.

SUBSTITUTIONS Brazil: Denilson for Bebeto, 70min; Emerson for Leonardo, 65; Helander, Walter for Rivaldo, 57; van Hoolstendael for Zenden, 75. **HOLLAND** Brazil: Zé Carlos, Cesar Sampaio, Helander, Rivaldo, Davids, van Hoolstendael, Overmars, Boudewijn Zenden, Ronald de Boer, Wim Jonk, Frank de Boer, Phillip Cocu, Marc Overmars, Jaap Stam, Edwin van der Sar.



Guardian Crossword No 21,321

Set by Paul



Across

- 1 Censor set about 'The Sun' editing 'dirt' to make sweet (7,4)
- 9 Batting rhythm required for bowling movement (7)
- 10 An idiot on the river Scheldt (7)
- 11 Running away together from work, into the rain perhaps? (9)
- 12 Incisor, a canine to a postman? (5)
- 13 U 2 (4)
- 14 Difficult case for Mrs Reagan with Germany in uprising (10)
- 16 Sell cheap, as 8,13, 19 and 23 hope to do without 'down' (7,3,1,4)
- 19 Certainly not Old 21 (4)
- 21 Scotsman backs service in Scotland (5)

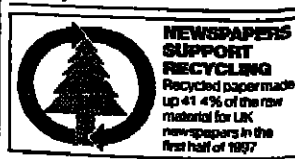
Down

- 22 The friend of a relative is a fair target (4,5)
- 24 Sitting after standing (7)
- 25 Something to eat, appropriate almost every one scoffed (7)
- 26 Curly hairdo in 13 style, yet bizarrely it's a seed plant (11)
- 1 Case inspectors cracked — cost of crime? Fuss (7,8)
- 2 Epic tortured on the rack? (5)
- 3 Those hoping for a nibble ran with legs crossed (7)
- 4 Conscript places makeshift boat in the river (7)
- 5 Very little response to disease from Tony Blair's first aid kit? (8)
- 6 8,13 and a bit 23! (3,4,4,4)
- 7 Assembly of mountain railway? (4-2)
- 8 Active 2 (6)

- 15 Ruffian gets around trap (not fair) (8)
- 16 2 2 (6)
- 17 Fame achieved by switching autocracy's leaders (7)
- 18 Topless Poles entertained continuously (3-4)
- 20 Solvers not finished? Same again! Editor became very unsettled (2-4)
- 23 Horrible 2 (5)

Solution tomorrow

Stuck? Then call our solutions line on 0800 338 238. Calls cost 50p per minute at all times. Service supplied by AT5



The Guardian Subscription Offer

Subscribe today for 35% discount plus free home delivery

The Guardian, as winner of the coveted 1998 "Newspaper of the Year Award" sets the agenda for investigative journalism and quality feature writing. The Guardian International includes these award winning stories and as it is available in over 50 countries worldwide, it is a truly international paper that brings you the news every day, on the day.

Subscribe to the Guardian International today* and not only will we offer you substantial discounts, but we will deliver your paper to your home or office free of charge.

Simply call +44 181 410 0216 between 9am and 5pm (GMT) or fill in the application form below.

* Offer only available in selected European cities. See table for details.

City	Currency	3 month Guardian @ 20% discount	6 month Guardian @ 30% discount	12 month Guardian @ 35% discount
Milan	ITL	218,400	382,200	703,000
Paris	FF	750	1,310	2,410
Nice	FF	750	1,310	2,410
Frankfurt	D.M.	237	415	784
Hamburg	D.M.	237	415	784
Geneva	S.F.	218	382	703
Zurich	S.F.	218	382	703
Brussels	B.F.	4,370	7,840	14,060
Amsterdam	FLG	265	465	855
Moscow	PLAS	15,800	27,300	50,200
Stockholm	SJR	1,080	1,880	3,415
Copenhagen	DKR	1,080	1,880	3,415

Please also ask for further subscription offers on the Observer.

Order your subscription today

☐ Yes, I want to start receiving the Guardian International. This is the subscription term I prefer:

☐ 12 months ☐ 6 months ☐ 3 months

☐ To pay by Bank Transfer (please call +44 181 410 0216)

☐ My cheque is enclosed, payable to Guardian Media Group PLC.

Please charge my: ☐ Amex ☐ Access ☐ Diners ☐ Visa ☐ Switch

Card No.

Expiry date: Switch Issue No.

Amount
All new European currencies are accepted, please state the amount to pay in the currency of your choice.

Signature

Surname

Title Initials

Job Title

Full address

Zip Code

Country

Tel: Fax:

* Papers will be delivered to this address unless otherwise stated. Offer expires on June 30th 1998. Return your completed application form to: Guardian International Subscriptions, First Floor, Pedernera House, 111 Kingston Road, London, SW18 1LT

Tel: +44 181 410 0216 Fax: +44 181 410 0227 Stop/Start Service: Guardian International will suspend your subscription during your vacation and restart delivery upon your return. Just let us know one week in advance. How many times per week do you buy the Guardian International?

If you do not wish to receive any further offers or information screened by the Guardian Media Group, please tick ☐

What we want to know about rich, beautiful, successful women is that they are, in spite of all their advantages, lonely and miserable. Caroline Aherne's suicide attempt confirms that her TV career cannot compensate for her unhappy love life.

G2 p10

مكتبة الامير